THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

July 20, 1940

Burma Road Closure Deeply Resented

An Editorial

S'hai Industrial Growth

BY JOHN AHLERS

Puppets and the Press

Japan's Opium Offensive

BY C. Y. W. MENG

The Single Party Movement in Japan And Yonai Cabinet Resignation

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

LETTER FROM ENGLAND

To the Editor

We manage to keep interested in other things besides the war. For instance, at two or three of our many theatres there has been an increasing tendency to show off shapely young women on the stage with less and less on, and the **Daily Telegraph** has been working up a fine fervent correspondence about it. We are told that this sort of thing happened in Berlin some years ago, and that that city sank into a dreadful state of degradation in consequence, but that Hitler cleaned it up. I don't know just what the moral is—whether the letter-writers want Hitler to come and clean us up, or whether they are warning us that they who gaze on beauty unadorned will fall under a dreadful tyranny which will not allow them to gaze any more.

Generally speaking, the economics of war interest us considerably, but I notice a remarkable discretion, in spite of our press being very little subject to official control: I have not yet noticed a single mention of the fact that during the last war the United States Government helped us to get into its debt and that we have not found it convenient to repay. Of course, there are lots of reasons why we didn't—there always are. Nevertheless, those who write for the papers must often have felt tempted to speculate on the connection of this failure to repay and American neutrality today requiring strictly cash-and-carry purchases.

The other day an eminent economist, J. A. Hobson, died and received his due meed of obituary praise; but I saw no mention of the fact that in the latter half of his long life he was never tired of preaching from the text that most of our economic ills, especially the recurring slumps, are due to the employers accumulating large profits which they do not spend, and for the profitable investment of which they have to look abroad. His idea was that if the workers had this money in the form of higher wages, they would consume more, which would make more work, and so keep the wheels of business turning. The same idea was seen in the call to "spend for prosperity" when President Hoover's heaven-sent prosperity suddenly petered out. Now the orthodox doctrine is that if we are mean to ourselves that will keep prices down, and that even if they rise (which they do) an increase in wages would only make them rise still more in a "vicious spiral." J. M. Keynes, who made economics a best seller in 1919, is all for saving now, but he hasn't been able to sell his "compulsory saving" scheme.

However, these examples of discretion appear to be entirely voluntary, and there is really very little that we must not say. Because the press in Germany is told just what it must say, we are inclined to imagine that the people there feel oppressed; but on the contrary, it is quite possible that the majority feel happy and united about it all. I remember a dear old gentleman, a retired general, who had been on a personally conducted tour in Manchukuo, and who came and told me all about it. I set before him a few facts of which he had not been informed, and he took his head between his hands and said, "Well, I don't know what to think." Making up one's mind what to think is troublesome indeed, and though I am all for democracy, I find that the majority of people are happier when they are told what to think than when they have the trouble of thinking for themselves.

A. MORGAN YOUNG

Oxford, Apr. 14, 1940.

CHINESE PATRIOTISM

To the Editor:

Though I am living in Singapore, I always have had the welfare of my country at heart. I have watched closely the events and happenings in China in recent years. I shall never forget the cruelty of Japanese soldiers toward our people, but the Japanese will have to pay the penalty for their misdeeds in our country. China has a civilization extending back more than 4000 years and it is up to us sons and daughters of China, to preserve the civilization inherited from our forefathers, in order that we may not become the slaves of our enemy. As Generalissimo Chiang said, "Worthy sons of China must strive, in the spirit of collective mutual help, to defend the land inherited from our forefathers, the land where we live and receive our food and shelter, where the graves of our ancestors are located, and where our families and homesteads flourish. . . . If any country comes to seize that land, it is seizing our lives and we must lay down our lives to oppose this enemy."

The Chinese people in Malaya are very anxious about the war and about the news from our home country, but despite the set-backs, we believe firmly in the final victory and we have firm faith in our leaders and that is the reasons the Chinese people in Malaya have contributed so freely to the war chest in the national crisis. Madame Chiang and the other leaders, you can depend on us for contributions now as you did twenty-nine years ago when our Republic was created.

The Chinese people in Malaya have paid close attention to the New Life Movement, founded by the Generalissimo in Nanchang six years ago. I have written many letters to the newspapers explaining it to our people here and we

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

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have organized centers here for propagating the ideas embodied in its program.

NGIAM LONG FATT

Teo Hong Road, Singapore,
June 21, 1940.

DEVIL OR BANDIT?

To the Editor:

I have received no copies of **The China Weekly Review** since June 1. I suspect the paper has been detained by the biggest devil or bandit in the world. The paper is so precious in this area that every issue is read by dozens of people. Missing copies are a terrible inconvenience for all of us, foreigners and Chinese alike. Please see what can be done to end our unhappiness. Good wishes for your excellent paper.

S. H. C.

Shantung Province,
July 8, 1940

UPSET

To the Editor:

For many months I received **The China Weekly Review** quite regularly, but last week's issue (June 22) failed to reach me and up to the present moment it is still out of sight. This has given me quite an upset as I can't bear to miss any single issue. The paper is entirely too valuable to miss, so please send me my missing copy immediately.

L.T.C.

Yungkang, Chekiang,
July 7, 1940.

NATIONAL CITY BANK OF NEW YORK

Rates of Exchange, Shanghai, July 18, 1940

Demand selling rate on New York: U.S.$1.00—Sh.$16.32

Demand buying rate on New York: U.S.$1.00—Sh.$16.00

Demand selling rate on London: £1.0.0—Sh.$61.93

Demand buying rate on London: £1.0.0—Sh.$60.00

AMERICAN STOCK AND COMMODITY QUOTATIONS

July 17, 1940

STOCKS

Amer. Locomotive	12¾
Amer. Waterworks	9
Anaconda Copper	19⅛
Bethlehem Steel	76¼
Chrysler	65¼
Elec. Bond & Sh.	6⅛
Gen. Motors	48¾
Goodyear T. & R.	14⅞
Gt. Nthrn. Rly., pfd.	23½
Lockheed Aircraft	25¾
Mont. Ward	40
N. Y. Central	11⅞
Texas Corp	39¼
U. S. Steel	51⅝

COMMODITIES

New York Cotton, July	9.75/75
New York Rubber, Sept.	19.47/47
New York Hides, Sept.	9.42/42
Chicago Wheat, Sept.	74⅝/74½
Chicago Corn, Sept.	58⅝/58¾
New York Sugar, No. 4, Sept.	0.94B/94½A

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BRITAIN'S CLOSING OF BURMA ROAD AROUSES DEEP RESENTMENT

THAT the British Government has capitulated to Japan and agreed to close the vital Burma Road was confirmed on Thursday, July 18. The statement that the road is to be closed "for three months during the rainy season" was a bit of diplomatic subterfuge that fooled nobody and was on a par with the statements of Chamberlain after the Munich capitulation which started Hitler on his career of conquest.

Also, it is equally obvious that the military controllers of the Japanese Government, who are now engaged in the creation of a totalitarian regime, have utilized the issue of the Burma Road as a smoke-screen to cover further aggression on the continent as well as the suppression of independent political opinion or action at home in Japan.

Parenthetically, it also might be remarked that the role played by Sir Robert Craigie, British Ambassador in Japan, has been anything but an enviable one. To the long list of capitulations which he has negotiated, including Tientsin, recognition of Japan's belligerency, and other issues, may now be added the closure of the Burma Road, most devastating of all in its ultimate consequences on British prestige in Oriental countries. Actually the use of the word "negotiations," in describing his meetings with the Japanese Foreign Minister constitutes a misnomer, because to outward appearances it has seemed that the British Ambassador and the Japanese Foreign Minister have been on the same side—Japan's side—in settling this important issue.

Furthermore, we venture the suggestion that when the full details of the Burma Road intrigue are disclosed, one will find there the explanation of the puzzling declaration made by President Franklin D. Roosevelt regarding the "extension to other nations and continents of the principles of the Monroe Doctrine." One wonders whether the divergence of Anglo-American policies in connection with maintenance of the Open Door on the Indo-China-Yunnan and Burma Roads was not responsible?

But, to add insult to injury those responsible for the road deal arranged for a hitherto unknown official at Singapore—one S. W. Jones—connected with the government there, to make the announcement of the contemplated capitulation to Japanese aggression. And Mr. Jones performed the job with characteristic hypocrisy by broadcasting euphemistically that the Anglo-Japanese *negotiations* in Tokyo over the Burma Road issue "were actually connected with British efforts to bring to an end the Sino-Japanese war!"

By what stretch of the imagination could the closing of the Burma Road be interpreted as an effort to bring about peace between China and Japan, except on the basis that the closing of the Burma Road, resulting in the cutting off of supplies to the Chinese National Government at Chungking, might cause the capitulation of China to Japanese aggression? Certain elements in London—where the deal had been engineered—couldn't even swallow the Jones statement as was indicated in press reports from the British capital early in the week.

Mr. Jones figuratively "let the cat out of the bag" and exposed the real objective in granting the Japanese demand for the closure of the Burma Road when he stated in his broadcast,

> **". . . it must aways be remembered that nothing can be allowed to detract the British Empire from its immediate overwhelming purpose, that of overcoming the world's enemy of humanity and good faith, Hitler's Germany."**

Continuing, the report stated that Mr. Jones, in his broadcast emphasized,

> **". . . that Britain cannot allow anything to distract her from the essential, relentless purpose of gaining victory which is the sole hope of civilization . . . Britain is stripped for the grimmest struggle in history and has put aside many hopes and many ideals, many associations, many friendships and many bonds of mutual help and co-operation, in order that the larger purpose may prevail."**

In concluding Mr. Jones said—tearfully—"that it had been a sad trial to see Japan and China, two nations who have been our friends and allies in the past, engaged in a bitter war. It has been the earnest hope of His Majesty's Government that it might be able to promote the earliest possible settlement between China and Japan and its constant policy is to do so."

Shades of Czechoslovakia! Can anyone doubt that Mr. Jones was expressing official London Foreign Office policy? Of course he was expressing Government policy—Chamberlain policy—by "selling China down the river" in order to appease the Japanese warlords and prevent them from launching an attack on Hongkong or some other British outpost in the Far East. And remember that this action was taken after Britain had put thousands of her subjects, chiefly women and children, to serious pain and inconvenience and worse, by evacuating them from Hongkong, many in the dirty, unsanitary holds of cargo vessels, in an apparent effort to bluff the Japanese Government into belief that Britain intended to fight, rather than permit Japanese warlords to dictate British policy in India more than a thousand miles from the scene of the conflict in East Asia.

One imagines there will be repercussions to these developments in India, where sentiment in favor of China has been most pronounced since the beginning of Japanese aggression three years ago.

Imagine anyone of intelligence believing Mr. Jones when he piously declared that Britain was trying to bring about an "honorable peace" between China and Japan—by blockading China's sole means of free contact with the outside world, and particularly with those democratic nations to which she had been encouraged to look for moral and material support!

Aside from the moral elements concerned, the closure of the Burma Road violates a fundamental principle in English law, the right of a property owner to free access to a public road, a principle as old as the law itself. One cannot help remembering President Roosevelt's statement in reference to Italy's entrance into the war, "On this tenth day of June, 1940 the hand that held the dagger has struck it into the back of its neighbor."

While the closure of the Burma Road—upon which the Chinese people expended vast physical effort and treasure—is certain to cause China most serious inconvenience and embarrassment, there is sincere hope that the Chinese will be able to surmount this blow and continue their struggle against Japanese aggression. Dr.

Quo Tai-chi, Chinese Ambassador to Great Britain, stated on Tuesday of this week that even though all supplies from foreign countries were halted, China could continue to fight from nine to twelve months. He declared, however, that the political and moral effect of Britain's action in restricting traffic on the Burma Road "would constitute a grave blow to China."

In this connection Dr. Quo stated that there are 1,500 tons of medical supplies awaiting shipment from Rangoon to Yunnan, but transportation has been immobilized due to a lack of gasoline. Dr. Quo said that a malaria epidemic in five Chinese provinces threatened the lives of 40,000,000 people. There was special interest in this statement because other reports have indicated that similar large quantities of medical supplies are held up at Hanoi and Haiphong in Indo-China because of the Japanese action in preventing transportation on the railway connecting these ports with Yunnan through pressure exerted on French colonial authorities. The medical supplies held up in Indo-China include large quanties of quinine ordered for the use of the Rockefeller Foundation which has undertaken a campaign for the eradication of malaria in southwest and western China. The Rockefeller Foundation, in cooperation with representatives of the U. S. Public Health Service made a survey of the malaria situation along the Yunnan-Burma border several months ago.

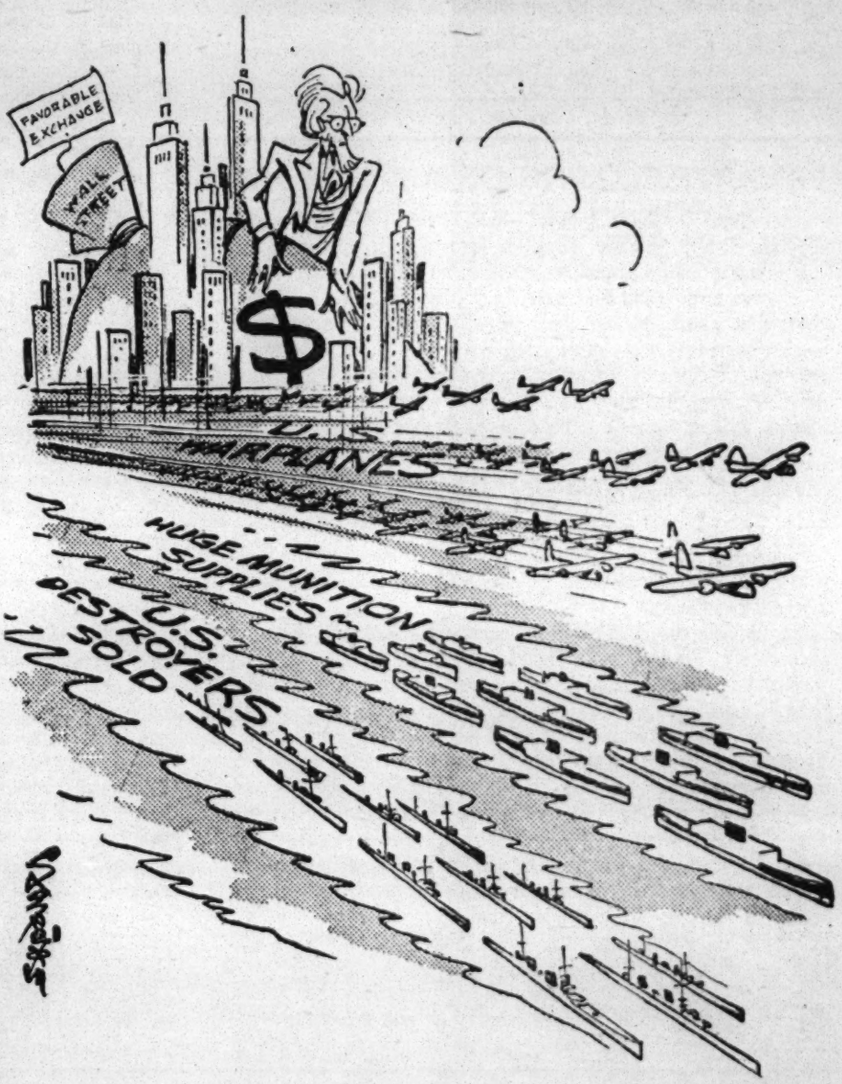
Dr. Quo also made some pointed remarks regarding the statement in London that the Burma Road "was practically useless in the rainy season," declaring that last year the road remained open during the entire rainy period. However, as indicated in the foregoing, the references to the rainy season in connection with the decision to close the road for three months, were shown to be hypocritical in the face of later statements from authoritative quarters that Britain's agreement to close the road "was coupled with a request that Japan utilize this period to negotiate an 'honorable' peace with China." In other words the rainy season had no connection whatever with Britain's decision to close the road, the only consideration being a desire to appease Japan by cutting off supplies of vital materials required by China in prosecuting her war of resistance to Japanese aggression.

This was confirmed in later reports from London through both *United Press* and *Reuters*, wherein British officials admitted that the Japanese had not submitted any plans or even proposals for settling the Sino-Japanese conflict.

U. S.—RUSSIAN VIEWS

That the issue of the Burma Road is likely to develop embarrassing international ramifications was indicated in references to American and Soviet Russian views on this important question. Shortly after the Japanese made their original demands for the closure of the Burma Road, there was a dispatch from Moscow published here indicating deep Russian interest in this question because large quantities of Russian merchandise destined for China were being transported over the road. It was stated that the British Ambassador to Moscow, Sir Stafford Cripps, had discussed the question with high Soviet officials and opinion in the Soviet capital was strongly opposed to Britain's closure of the road. A dispatch from London (*Reuters*, July 16) quoted British circles as admitting that the restriction of traffic over the Burma Road would increase China's dependence on Russia as the only other unrestricted routes connecting China with the outside world led to Russia through Sinkiang and Outer Mongolia.

"British View of Uncle Sam"



Sapajou in the North-China Daily News (Shanghai).

While reports regarding the American attitude on the closure of the Burma Road have been conflicting, it was admitted in London that the attitude of the United States was "strongly critical," to which *Reuter's* London correspondent added the comment that American materials, of great value in the prosecution of the war, "were still being dispatched to Japan." The *Reuter* report concluded with the significant statement that "official American views appeared to appreciate the British arguments . . . although it remained true that Britain would fall in with any definite policy advocated by the State Department."

In this connection there was an interesting report from Washington on July 8 (*United Press*), quoting the Foreign Policy Association as advocating a Soviet-American agreement, pledging both countries to maintain China's independence and the *status quo* of southeast

Asia. "Unless an agreement of this nature can be reached, stated the report, "there is every indication that the Soviet Union, while continuing to aid China, would be likely to assume a non-committal attitude toward any Japanese excursions into the South Seas."

The Foreign Policy Association's statement said that the rapid German advances in Europe had created a critical problem for American policy in the Western Pacific and it was doubted that a new Japanese-American trade treaty, as advocated by some, or even the gift of China, as advocated by others, "would satisfy Japan." Also, stated the report, it remains to be seen whether firm measures would restrain Japan or merely provoke retaliatory measures. The report concluded with the comment that effective American opposition to further Japanese aggression—unless Soviet cooperation could be achieved—would probably be limited to the period in which the U. S. Fleet could be kept in the Pacific.

QUESTION OF GERMANY'S ATTITUDE

The *International News Service* carried a dispatch from Hongkong on July 15 alleging that Dr. Oscar P. Trautmann, German Ambassador to China had returned to Chungking—after two years of absence—for the purpose of trying to bring about a termination of the Sino-Japanese conflict, "the object being to enable Japan to become a more effective ally of Germany and have a free hand to grab or harrass European colonies in the Far East." This report claimed that German terms submitted to Japan were that Japan should not seize Indo-China, but that Japan should intervene immediately against Great Britain by concentrating in the Gulf of Tonkin for the purpose of a sudden dash to Malaya or Netherlands East Indies.

There has been no confirmation that Dr. Trautmann or any other high German diplomat is in Chungking. Vernon Bartlett, formerly engaged in correspondence work in the Far East, in an interview in London on July 16, said that the Germans "were anxious to see the British caught up in a Far Eastern dispute, and that is an important reason why we should avoid one." Referring to the obvious question "whether further concessions to Japan would be wise," Bartlett said that some, "remembering the fate of that policy when adopted toward Germany, Italy or toward Japan herself, were somewhat skeptical."

INTERNATIONAL "HORSE-TRADING"

A careful perusal of dozens of columns of type concerning the issue of the Burma Road leads to the conclusion that none of the foreign powers are concerned with anything except their own selfish interests.

So long as France was in the picture, some semblance of international unity as envisaged by the Nine-Power Treaty, could be maintained. But the collapse of France and absorption of that country's continental resources by Germany quickly altered the situation in the Far East. Japan acted at once in establishing her domination over French Indo-China and used her position there not only to embarass China, but to further her fundamental policy of ousting foreigners from their footholds on the coast of Asia. American protests regarding the stoppage of transportation of American materials over the Yunnan Railway had no more effect than Secretary Hull's protests over the repeated bombing of Chungking, including the destruction of American mission property.

Japan is now engaged in absorbing the trade and available resources of French Indo-China, including large stocks of Chinese raw products such as tin, antimony, wood oil, which China was in process of shipping to the United States and upon which the United States depends for its expanding war industries. The fact that the United States had advanced considerable sums to China in payment for these products was of little or no interest to Japan who was concerned solely in "grabbing all she could while grabbing was good."

So far as Britain was concerned, the only thing that apparently matters is defense against the expected "blitzkrieg." As for the United States, the decision of Britain to make a deal with Japan, apparently was sufficient to cause Roosevelt to make enigmatic statements about "extending the principles of the Monroe Doctrine to other continents."

STATEMENT OF CHINA'S POSITION

The Chinese Government's spokesman on Tuesday (*United Press* report) declared that Britain's decision to close the Burma Road was contrary to the principles of internationl law, Sino-British treaties and resolutions of the League of Nations. The spokesman declared,

"The British Government has yielded to Japanese pressure and has accepted the unreasonable demands of Japan by consenting to suspend for a specified period of time the Burma route for the transit of certain kinds of articles to China.

"The Chinese Government cannot but view with the gravest concern the decision taken by the British Government and must regard the action thus contemplated as at once unfriendly and unlawful.

"By complying with the Japanese demands, Britain has given immense benefit to an aggressor and her action thus is tantamount to aiding and abetting China's enemy.

"The Burma route not only is an important channel of Chinese communications, but is also an artery of commerce in which many countries have vital interest.

"The British position is absolutely untenable legally.

"Japan is engaged in an undeclared war of aggression against China and therefore cannot properly make use of any belligerent rights recognized by international law.

"Even if Japan acquired the full status of a belligerent her rights would be limited to visiting and searching neutral vessels, capturing contraband on high seas or in territorial waters of the enemy and effectively blockading the enemy's seaports and other actions sanctioned by well-established rules of warfare.

"Japan has no right to demand of a neutral country the stoppage of exportation or transit of any supplies destined for the ordinary course of commerce of the enemy.

"If a neutral country should accede to such a demand, it might be considered to have divested itself of the status of neutrality. And the unneutral character would be all the more glaring if a third country, while prohibiting the exportation and transit of certain supplies of the same or similar kind to the one belligerent, sent them to the other.

"In the light of the principles of international law, the decision of the British Government was clearly unjustifiable and undefendable.

"Trade relations between China and Burma rested and still rest on certain treaties concluded between China and Britain .. The treaties contain definite stipulations concerning the maintanance of the development of trade routes between China and Burma which neither party would have the right to close in time of peace or war."

CHUNGKING ALSO CRITICAL OF U.S.A.

Of final interest in connection with Chungking's attitude toward the United States, the *Central Daily News*, organ of the Government, (referring to Roosevelt's statement about the extension of the principles of the Monroe Doctrine to the Far East) said, "If Japan dominates Asia, Japanese pressure on the United States will be even greater than if Germany dominates Europe."

The *Hsinhua Jihpao*, organ of the Chinese Communist Party, poured ridicule on the so-called "pro-European" and "pro-American" politicians in the National Government, but particularly on those who had been relying on American assistance to China. A cartoon entitled "Dreaming," was published together with a statement that the United States had been supplying 70% of Japan's imports of war materials, 90% of Japan's imports of scrap iron and 66% of Japan's purchases of petroleum supplies.

Referring to the recent declarations of President Roosevelt and Secretary of State Cordell Hull on the American Monroe Doctrine, the Communist organ declared sarcastically that, "While China liked to have as many friends as possible, she must have friends in need whom she could understand and trust. The time for day-dreaming and one-sided wishful thinking is past."

Reuter's correspondent in Washington quoted an American official as inquiring whether Britain's sacrifices to win the war against Germany, "included the sacrificing of China." Many persons commented that "Britain was doing another Munich."

Puppets Would Control Press by Arresting, Deporting Independent Newsmen

JAPANESE militarists and their Chinese puppet hirelings affiliated with the Nanking regime of the traitor Wang Ching-wei, are responsible for the most vicious and dastardly attempt to intimidate newspapermen and suppress freedom of journalistic expression that has been witnessed in any country in modern journalistic history.

An analysis of the list of 83 Chinese marked for arrest, which was issued by the Nanking puppets on July 9, disclosed that more than forty were employees of local Chinese and foreign newspapers.

It is doubtful whether Chinese history records a similar attempt of such drastic nature designed to suppress organs of public intelligence, since Ch'in Shih Huang Ti's notorious deed in 213 B. C. when he ordered the "Burning of the Books."

The developmnt of totalitarian regimes in European countries has been accompanied by suppression of newspapers and intimidation of journalists, but no country, with the possible exception of Hitler's Germany, has yet witnessed the spectacle of a government trying to obtain control of the press through the utilization of assassinations, kidnappings, throwing of bombs, incendiarism and—this week—the publication of lists of journalists marked for arrest or deportation!

It was significant that the Japanese Army authorities, two days prior to the issuance of the Nanking order to arrest Chinese and deport foreign newspapermen, sent a high officier, Col. Itsuo Mabuchi, chief of the information section of headquarters of the Japanese Expeditionary forces in China, to the office of Wang Ching-wei's newspaper, *Central China Daily News*, which is published in the International Settlement, and promised the staff Japanese military protection in the event of interference by the local police authorities. The Japanese account of Col. Mabuchi's visit to the office of Wang Ching-wei's newspaper, said that Hu Lan-chang, chief editor of the paper, had complained to the Japanese military authorities that the police of the International Settlement had brought pressure on him in connection with an editorial he had published making a violent attack on alleged Chungking activities in the foreign settlement.

Thus we have the interesting spectacle of Japanese military officers promising special protection to Wang Ching-wei publicity organs in the Settlement, while at the same time they are inspiring wholesale arrests and assasination of Chinese newspapermen and the deportation of foreign journalists who are connected with newspapers which are unsympathetic toward the Nanking puppet set-up and the Japanese Army's so-called "New Order" in Asia.

There also was significance in the fact that aside from one Chinese connected with the office of *Reuters* none of Wang Ching-wei's or the Japanese attacks, were directed at any British newspaper or newspaperman in Shanghai, with the exception of J. A. E. Sanders-Bates, who publishes a small Chinese newspaper. Of the two British papers in Shanghai, the *North China Daily News*, popularly known as the "official organ," has long followed an appeasement policy, while the other British paper, *The Shanghai Times*, has long been controlled by the Japanese, so far as editorial policy is concerned. Although the British Government has recognized the Chinese National Government and the British Ambassador Sir Archibald Clark Kerr spends much of his time in Chungking, wartime capital of the Government, the *Shanghai Times* has followed a "mugwump" policy and attacks the Chungking Government while supporting the Japanese puppet set-up in Nanking.

The publication of the list of foreign, chiefly American journalists, which the puppet Wang Ching-wei regime would like to drive from China, and the list of some 40 Chinese newspapermen marked for arrest, was followed by the bombing of the *Shun Pao*, leading Chinese daily on Tuesday morning, July 16, resulting in killing of one and wounding of 18 members of the staff and customers of the paper who were in the business office when the bombs, wrapped in an old neswpaper, were thrust through a window and exploded when they fell on the floor. The bombs were of the "potato-master" type, previously used by the Chinese army in the fighting here in 1937. After the evacuation of the Chinese the Japanese obtained large quantities of these explosives which have since been held in Japanese Army warehouses. The *Shun Pao* is published by an American company headed by N. F. Allman, American attorney, who is one of the American members on the Municipal Council and active in the American and international communities. Mr. Allman's name was on the list of "deportees" published by the Wang regime on Tuesday morning.

Patriotic Chinese who may feel disconcerted that people of their own race could be guilty of such nefarious actions, even though serving in the pay of alien aggressors, may temper their feelings, of disgust by the knowledge that those actually responsible, such as Tang Leang-li, head of the department of international publicity of the Wang regime, are actually aliens and carry alien passports. Tang is a native of the Netherlands Indies and his previous Dutch allegiance probably has been transferred to the present Nazi controllers of his home country, with whom he always has been in sympathy.

PUPPETS EXPAND LIST OF 'TRAITORS'

Stepping up its campaign of intimidation against opponents and critics, the Nanking puppet government this week expanded its list of Chinese "traitors" who are to be arrested to include four well-known local Chinese newspapermen, thus bringing the original list, published July 1, to 87. This was followed by an order to Mayor Fu Siao-en of the puppet Shanghai municipality to take steps to secure the expulsion from the Shanghai International Settlement of six Americans and one Briton connected with English-language and Chinese publications.

The four Chinese newsmen added to the Nanking "traitor" list were Hoh Chih-Hsiang, a member of the editorial staff of *The China Weekly Review*; L. Z. Yuan, news editor of the American owned *Shanghai Evening Post & Mercury*; Woo Kyatang and T. L. Tsoong, managing editor and sub-manager, respectively, of the Sino-American owned *China Press*.

WELL-KNOWN FOREIGNERS

The foreigners whose expulsion Nanking is seeking are Norwood F. Allman, member of the Shanghai Municipal Council, leading American lawyer and a member of the firm controlling the American registered *Shun Pao*, well-known Chinese daily newspaper; C. V. Starr, president of the post-Mercury Company, publisher of the *Shanghai Evening Post* and *Mercury*, *Ta Mei Wan Pao*, *Ta Mei Chou Pao*, and prominent as an insurance magnate in the Far East; *Randall Gould*, editor *of the Shanghai Evening Post* and *Mercury*; J.B.Powell, editor and publisher of *The China Weekly Review* and executive editor of the China Press; Hal P. Mills, American publisher of the *Hwa Mei Wan Pao*, *Hwa Mei Chun Pao* and *Hwa Mei Weekly*; Carroll D. Alcott, local American radio newscaster and crime reporter on *The China Press*; J. A. E. Sanders-Bates, British director of the University Press which publishes the *Morning Leader*, *News Diggest* and *British Evening News*.

In adding the four Chinese newsmen to the list of 83 Chinese already on their black list, the Nanking puppets branded them as "rebels" and charged them with hiding in foreign-owned newspaper offices where they allegedly fabricated rumors, instigated murders, encouraged kidnappings, and hindered the peace, anti-communist and national reconstruction movements

DEPORTATION SOUGHT

Naming the foreigners who are *persona non grata*, Wang Ching wei's Central Press Service referred to J. B. Powell as a "propagator of communist theories," while Carroll Alcott was described as "Chungking's leading radio mouthpiece." It was stated that the Executive Yuan of the puppet Nanking government had sent an order to Mayor Fu instructing him "to approach the responsible foreign authorities in Shanghai for the deportation" of these two and of the other five foreighers who were listed.

Wang Ching-wei's Central Press Service, in a report from Nanking on July 13, claimed that four of the 83 Chinese whose names were on the original list of "traitors" had been "arrested." Their names were given as Ma Yuan-fang, Tsui Pu-wu, Chang Mo-ming and Chow Shao-pai. The latter, later to be apprehended, was identified in the report as a councillor of the Executive Yuan of the Chungking Government and also of the Chungking Ministry of Education. He was active in Shanghai upon instructions of Gen. Chiang Kai-shek, the report stated. The report did not disclose where his arrest was effected. The foreign police of Shanghai had no hand in it. Presumably he was kidnapped from the International Settlement or French Concession by hired thugs in the employ of the puppet government—which constitutes an interesting commentary on the charge against the four Chinese newsmen added to the 'traitor' list that they had "encouraged kidnappings."

FOUR MEN KIDNAPPED

S. T. Chen, vice-president and general manager of the American Engineering Corporation, located at the corner of Bubbling Well and Moulmein Roads in the International Settlement, was kidnapped on the morning of July 9, He was taken by armed gunmen when leaving the premises in his car. The gunmen halted the vehicle, ordered the chauffeur to get out, and then drove away with their victim. Reason for the kidnapping is not known, as the victim was not known to have any political affiliations. He is one of the leading Chinese engineers in Shanghai, having been with the American Engineering Corporation for the past 13 years. He graduated at Wooster Tech in Massachusetts and was vice-president of the company with which he is associated. The day after he was kidnapped, the A.E.C. published a notice stating that his signature would no longer be binding on the company.

Three officials of the Central Bank of issue of the National Government at Chungking, were kidnapped last week in Shanghai. Their names have not yet been disclosed. It is believed that they are being held in the Badlands, where Wang Ching-wei's gangsters have their headquarters.

Bullets Can't Spill Gasoline From This Airplane Tank

Much of the Nazi aviation success allegedly has been due to two factors: First, German planes carry armor protection which prevents Allied bullets from striking the pilot and drew; second, Nazi planes carry gasoline tanks which will not spill the gasoline

when struck by machine-gun bullets. Recently, the Glenn L. Martin Aviation Company discovered the Nazi secret about the protected gasoline tanks. The illustration shows one of the Martin tanks which only spilled a few drops of gasoline after being perforated by a 50-caliber bullet. The secret is an inner-tank made of a composition containing artificial rubber which automatically closes the holes as fast as they are made.

Carroll Lunt Registers as a Japanese Propagandist

THE *China Information Service*, published in Washington, D., C. edited by Miss Helen Loomis, reported in its June 13 number that Caroll Lunt, Shanghai newspaperman, had been compelled to register as a Japanese propagandist. Referring to Japanese propanganda in general, the report claimed that the Japanese are spending US$7,000,000 a year on propaganda in the United States.

The rapid increase of Japanese and other propaganda and the number of paid propagandists in the United States caused the U. S. Government to adopt regulations requiring foreign propagandists to register with the Department of State in Washington. As soon as the Federal Bureau of Investigation (FBI) determines that a progagandist is in the pay of a foreign government, he is required to register and state the amount of salary he is receiving as an agent of a foreign country. In the case of Carroll Lunt, he was sent to the United States two years ago, his expenses and salary being paid by official organs in Tokyo. Previously, Lunt had served as a secret agent on the staff of Japanese military organs in Shanghai.

Since Lunt's departure from Shanghai his place has been taken by a former American newspaperman.

The following reference to Lunt and others in the pay of the Japanese in the United States appeared in the June 13 issue of the *China Information Service:*

"The names of new Japanese propagandists are being constantly added to the State Department's roster of paid foreign propagandists.

"Carroll Lunt, who has long been a subservient flunky of Japanese interests, came to this country last year posing as an independent publisher of magazines in Shanghai who brought a "realistic" and "neutral" viewpoint on Far Eastern questions. He has been describing himself as "another Carl Crow" and has secured speaking engagements with many important groups and societies in this country. He has just registered with the State Department after the FBI became interested in his activities and background.

"Gene Lamb, who accepted the hospitality of the Chinese people for years and lived among them as a "friend", also turned up recently as a Japanese propaganda agent, being paid for his writings, lecturing and motion picture exhibiting, through the Japanese Board of Tourist Industries. All his expenses are paid. He is now operating in the West.

"Glenn Griswold, publishing director and editor of Business Week for many years, one-time vice president of the McGraw-Hill Publishing Co., an old Hearst associate, was engaged by the Japanese at a pay rate of U.S.$1,000 a month for a special job, the nature of which was vaguely described as "public relations counselling". His office now claims that he is not now in Japanese pay.

"Japan's most clever propagandists, Kiyoshi K. Kawakami, is now spending his time in the United States, living at 3729 Morrison Street, Washington, D.C., according to his record in the State Department. His superiors regard him so highly that he gets paid $12,000 a year, ostensibly as "a correspondent." Many of his intimate friends have said that he personally fights the Japanese militaristic caste under cover but to outsiders he remains Japan's cleverest defender of Japanese aggression.

"The South Manchuria Railway is only one of the numerous organs through which Japanese propaganda issues to the American public and business interests, but the expenses for its New York office alone amounted to U.$.$57,145,57 last year, the government records show. This may give some hint at the vastness of the Japanexe propaganda machine here,

"The Chicago Tribune Tower is a nest of Japanese propaganda activities, it is shown. Three new names have been added to the list of agents operating out of that building. They are Suejiro Ogawa, who gets $300 amonth, being connected with the Japan Foreign Trade Federation there. The Japan Information Bureau, in the Tribune Tower, carries on for only $150 a month, they claim. The Japanese Importers and Exporters Association of Chicago, also has taken quarters in the Chicago Tribune Tower.

"Yisakatu K. Watanabe, 549 Market Street, San Francisco, gets U.S.$325 a month for propagandizing in that section. Kame Muracka has registered himself as publisher of the Japanese-American Review, Commissioner-General to the N. Y. World's Fair, etc., but fails to state how much money he is getting."

Further lists of propagandists in the pay of the Japanese Government or Japanese chambers of commerce and so-called "culture" organizations in the United States have appeared in previous issues of *The China Weekly Review*.

Industrial Development In the Shanghai Area

BY JOHN AHLERS

THE variety of Shanghai industries is much greater than many local residents suspect. True, there are no industries here so important as the cotton industry and the public utilities. The third local industry, in order of importance, is the flour mill industry, and that consumes considerably less than 10 percent of the industrial power consumed by the cotton mills. Most of the other miscellaneous industries are, each taken separately, still less important than flour-milling. Yet the number of the Shanghai miscellaneous industries is large, and all these industries together account for almost 40 percent of local industrial sales of electric power. They play a considerable part in Shanghai imports and exports, and in the supply of industrial goods to the local market as well as other parts of China. The share of these industries in all China's production of the goods concerned ranges from 25 to 100 percent, and quite a number of the local minor industries are not yet found elsewhere in China.

Shanghai miscellaneous industries cover the following activities: metal industry, machinery and metalware manufacture; food, drink and tobacco-ware production; brick, glass and ceramics; paper production, printing; woodworking, furniture manufacture; motor car assembling and repair; silk industry; woollen industry; clothing manufacture; leather and rubber goods industry; oil mills; production of scientific and musical instruments, as well as a few others. A voluminous catalogue would be required to list all the products at present manufactured in Shanghai. But few people are aware that such a catalogue would name among recent Shanghai industrial manufactures also hydrochloric acid and Glauber salts; glycerine; bakelite; red lead for paints and storage batteries; numerous modern-style patent medicines; toothpaste tubes; glass containers for cosmetics, etc.; peppermint oil; menthol; rubber-dipped goods; rubber balls; thermos bottles; electric bulbs; zippers; switchgears; electric fans; flashlights; and so on.

Shanghai minor industries may be roughly classified into two main groups. There are those industries which prepare, transform, and manufacture inland produce for export purposes, such as egg products factories, oil mills, silk filatures, etc. These on the whole are the older of these industries, in whose establishment and development foreign capital and initiative has had a prominent share. Not a few of the largest of these local enterprises continue to be foreign property. Then there are the manufacturing industries which put out industrial goods of consumption primarily for the China market in an effort to replace imports of similar articles. These latter are the newer industries, and in their development Chinese capital and enterprise held and continues to hold the dominating share. These industries received a first strong impetus from the Great War, which temporarily cut China off from a great many foreign industrial supplies to which the country had become accustomed. Another impetus was given by the establishment of the Chinese National Government at Nanking in 1927 and later the acquisition by China of full tariff autonomy. The pace of growth in many of these industries during the past decade was much quicker than that of the giant cotton industry.

Shanghai's Glass-Making Industry

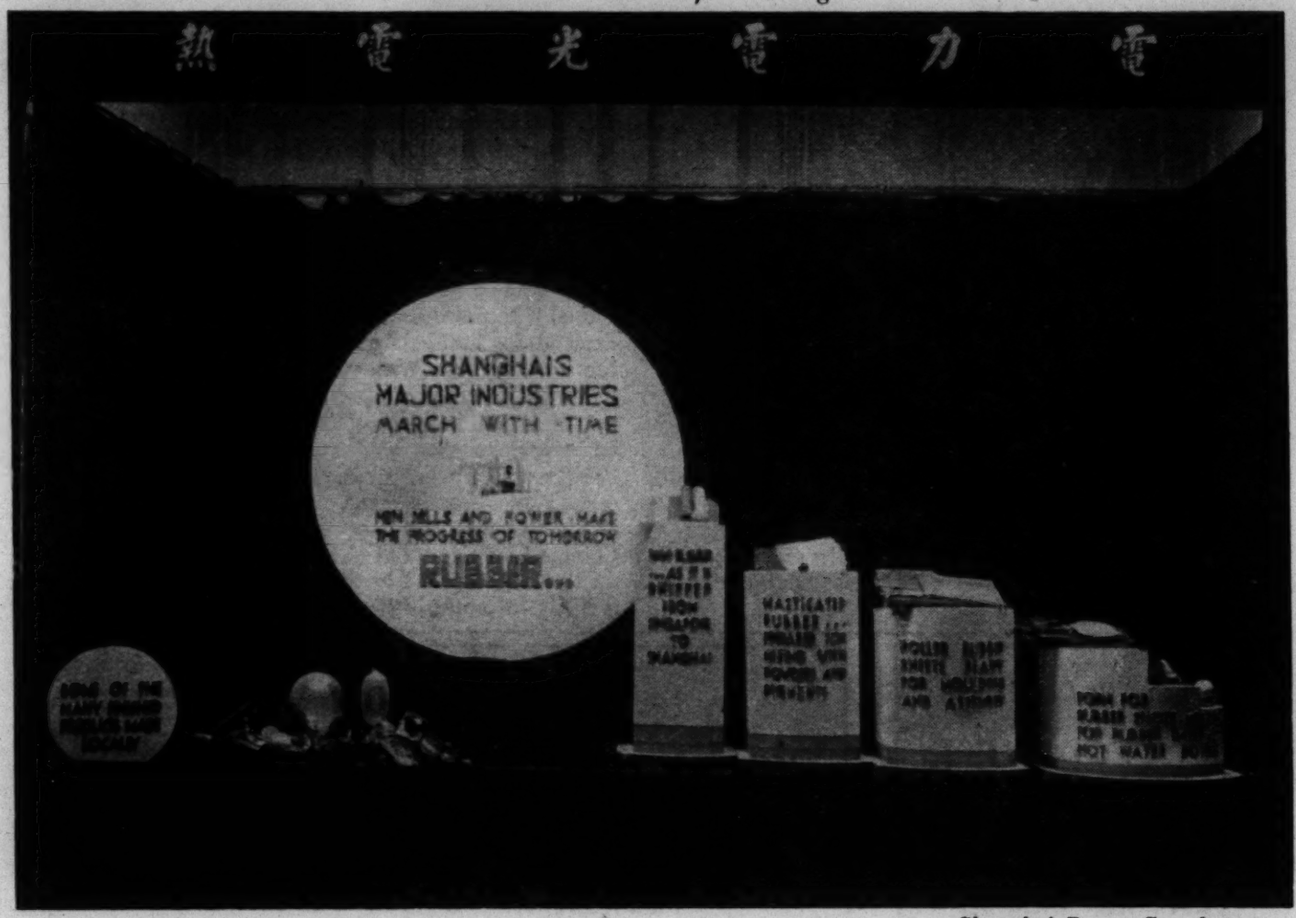
This exhibit, which appeared recently in the window of the Shanghai Power Company, illustrates the manufacture of glassware. The glass industry is an important unit in Shanghai's economic structure and contributes substantially to the industrial importance of the city.—*Shanghai Power Company photo.*

There are numerous reasons why these industries were established chiefly at Shanghai and in the hinterland of the city. Their establishment was due mainly to the foresight and initiative of Shanghai business men. The regions of the Lower and Middle Yangtsze were economically the best developed parts of China. Shanghai provides the most important local market for any industry in this country. Besides, Shanghai was and is the center of the country's foreign trade and shipping, and also has the best financial facilities for new industrial development. In the times of the Chinese Empire and of the Peiping Republic, the Shanghai safety factor also was very important. Since 1926, however, Chinese industrialists began to consider Chinese districts of Shanghai as well as the interior of Kiangsu and Chekiang Provinces as safe as the Shanghai foreign-administered areas. Immediately prior to the outbreak of the present Sino-Japanese war, Shanghai registered 5,525 factories whereof 1,379 were in the International Settlement and 343 in the French Concession, while Nantao boasted of 2,295 and Chapei 1,182 factories. Shanghai industrial workshops at the same time numbered 16,851, whereof but 5,204 were in the Settlement and Concession against 8,311 in Nantao and 2,848 in Chapei. The most rapid industrial growth in Central China during the six years preceding the war outbreak was experienced not at Shanghai but in Wusih.

The war inflicted tremendous damage upon Shanghai's miscellaneous industries. In the Settlement areas north of Soochow Creek no less than 905 industrial establishments were completely destroyed, and more than 1,000 were looted or otherwise damaged. War destruction of industries was still heavier at Wusih. The tidal wave of actual fighting was followed by Japanese expropriation of Chinese industrial property. The neglected safety factor became prominent once more. When in the summer and fall of 1938 conditions improved, Shanghai industries made a new start in the Settlement south of Soochow Creek and in the French Concession. Considerable quantities of machinery were salvaged from Nippon-controlled territory, and were repaired or readjusted; considerable new machinery was imported from abroad; and industrial promoters strained to the utmost their own financial means and their credit to raise new working capital. The industrial revival was vigorous. It changed the aspect of certain parts of the Settlement and Concession from residential to industrial. The recovery in the miscellaneous industries was as strong as in the cotton mills and public utilities.

Not only were many of the former minor industries totally or partially reconstructed. New ventures were undertaken, and in the midst of war Shanghai vividly extended the range and scope of industrial production. A great many of the reconstructed as well as of the new industrial establishments are of small size and work under primitive conditions in ramshackle buildings with inadequate machinery, and with little or no consideration of labor interests. In numerous instances greater industrial efficiency could be obtained by concentration of neighboring small enterprises. There is no sense in running five or six minute silk filatures in the same building, each with its own boiler. Unified purchasing of fuel and raw materials as well as marketing of products might, in many cases, bring great improvements. However, a long series of large-scale and efficient industrial enterprises have also been created, and are working suc-

The Rubber Industry In Shanghai



Shanghai Power Co. photo

The Shanghai rubber industry was subject of the above display in the window of the Shanghai Power Company recently. Rubber articles of great variety are now made in this city and the list includes the rubber over-shoe and the ubiquitous hot-water bag.

cessfully. The miscellaneous industries shared fully in the recent Shanghai industrial boom which lasted without interruption for 18 months and was only recently halted. Industrial profits were enormous. Not a few small and medium-sized new factories earned back their whole capital investment within their first year of operation; and the majority of the miscellaneous industries harvested profits ranging between 20 and 50 percent.

The new industrial initiative at Shanghai, in the field of industries other than cotton milling and public utility, is primarily Chinese. It has been financed in the first place with Chinese capital. Japanese private interests followed the lead given by the Chinese only after the new industrial boom had made considerable headway. The Japanese mammoth concerns, and a few medium-sized Nipponese interests, began expanding here in the miscellaneous industries, too, and today continue to expand. There are no reliable data at present available on such Nipponese industries here. It is known, however, that a great many of these industries base themselves less on competitive efficiency and enterprizing initiative than on forcefully acquired advantages such as expropriated Chinese plants (cigarette factories, flour mills, oil mills), seizure of their non-Japanese competitors' sources of supplies (egg product factories), or monopolization of markets in the Nippon-controlled interior. Nipponese industrial development under the formerly much-advertized governmental and military mammoth schemes at Shanghai remains conspicuous by its absence. The Japanese-dominated industrial area below the Settlement's Eastern District on the Lower Whangpoo continues to exist in blue-prints only, with even Japanese private interests showing little or no desire to risk anything in such a venture. The various subsidiary firms of the Nipponese Central China Development Company at Shanghai confine their activities to monopolist exploitation of seized enterprises and markets of others.

The outbreak of the European war gave an additional impetus to Shanghai miscellaneous industries. A large number of European industrial products suddenly ceased coming to Shanghai as well as to a series of other Eastern markets. Local industries immediately seized upon the occasion by tackling new production problems as well as by starting upon new export business. The Netherlands Indies, British Malaya and British India for about six months provided profitable new markets for a great many Shanghai-made industrial products, ranging from cotton textiles to patent medicines, from metalware and electric appliances to canned foodstuffs and surgical instruments. Some of the local miscellaneous industries experienced a genuine export boom. However, the boom did not last. New import and foreign exchange controls in the British, Netherlands and French colonial possessions soon proved a formidable obstacle to further expansion of this export trade, and today Shanghai is selling in those countries considerably less than half a year ago.

Though the local industrial export boom has been halted, and although at present all Shanghai industries are in the throes of a serious crisis, the long-term outlook for local miscellaneous industries is promising. Peace will be restored one day in China and elsewhere. China, with peace restored, will develop an unprecedented demand for industrial products. Europe, as a result of the second Great War, will remain less important as an industrial supplier of East Asia than she has been. Of the Shanghai industries, the cotton industry only may be over-developed, and at any rate enjoys but small prospects of further expansion. Most of the local miscellaneous industries, however, as yet seem undersized in view of the huge potential and actual markets in the Chinese hinterland and elsewhere in the Far East. It is on these industries that Shanghai industrial development is likely to center in the future.

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Total Defense Sought

Pres. Roosevelt Asks for Additional War Funds

Editor's Note:—Following is the text of a message which President Roosevelt submitted to Congress on July 10 in support of a request for additional defense appropriations totalling $4,848,171,000. If the United States is to have any defense at all, it must be "total" defense, the President said, adding a pledge that the Government would never send troops overseas to participate in a European war.

AS President of the United States and as Commander-in-Chief of its armed forces, I come again to the representatives of the people in Congress assembled, to lay before them an extraordinary estimate of funds and authorizations required for the national defense.

In my opinion it is necessary now that the people of this nation and their representatives in Congress look at the problem of the national defense with utterly dispassionate realism. Never have we as a nation attempted to define the word "defense" in terms of a specific attack at a certain place at a certain time or with specified land and sea forces. In the long sweep of the century and a half since our defenses have been concentrated and unified under the constitution, it has been a prime obligation of the President and Commander-in-Chief promptly to advise the Congress with respect to any world circumstances calling for either increased or diminished defense needs.

From time to time during the last seven years I have not failed to advise the people and their representatives of grave dangers threatening the United States and its people, and the institutions of democracy everywhere. From time to time I have availed myself of opportunities to reassure and to implement the right of all the nations of the American hemisphere to freedom from attack or control by any non-American power.

A year and a half ago, on January 4, 1939, in my address to the Congress, I referred to the fact that I had felt it necessary on previous occasions to warn of disturbances abroad and the need of putting our own house in order in the face of storm signals from across the seas. On that day I said that a war which threatened to envelop the world in flames had been averted but that it had become increasingly clear that peace was not assured. I said then that all about us raged undeclared wars—military and economic. I said then that all about us were threats of new aggression, military and economic. I said then that the storms from abroad directly challenged three institutions indispensable to Americans—religion, democracy and international good faith.

Unhappily many Americans believed that they who thought they foresaw the last days of a great war were mistaken. Unhappily those of us who did foresee that danger were right.

A week later, on January 12, 1939, I submitted a program considered by me as Commander-in-Chief of the Army and Navy and by my advisors to be a minimum program for the necessity of defense, saying that every American was aware of the peaceful intentions of this Government and of this people and that every American knew that we have no thought of aggression and no desire for further territory. The Congress granted that request for the minimum program then deemed necessary.

At the beginning of September the storm boke and on the twenty-first of that month, in a message to the extraordinary session of the Congress, I said that the Government must lose no time or effort to keep this nation from being drawn into the war and I asserted my belief that we would succeed in these efforts. We have succeeded. I believe we shall continue to succeed.

In September last I increased the strength of the Army, Navy, Coast Guard, and the Federal Bureau of Investigation within statutory authorizations made by the Congress. In January, 1940 I submitted a budget to the Congress which included provision for that expansion of personnel, as well as estimate for the national defense, amounting to approximately $2,000,000,000 for the fiscal year 1941.

On May 16, in a message to the Congress, I pointed out that the swift and shocking developments of that time forced every neutral nation to look to its defenses in the light of new factors loosed by the brutal force of modern offensive war. I called attention to the treasonable use of the "fifth column," by which persons supposed to be peaceful visitors are actually a part of an enemy unit of occupation, and called special attention to the necessity for the protection of the whole American hemisphere from control, invasion or domination. I asked at that time for a sum totaling $1,182,000,000 for the national defense.

On May 31, 1940, I again sent a message to the Congress to say that the almost incredible events of the then past two weeks in the European conflict had necessitated another enlargment of our military program, and at that time I asked for $1,277,741,177 for the acceleration and development of our military and naval needs as measured in both machines and men.

Again today, in less than two months time, the changes in the world situation are so great and so profound that I must come once again to the Congress to advise concerning new threats, new needs and the imperative necessity of meeting them. Free men and free women in the United States look to us to defend their freedom against all enemies, foreign and domestic. Those enemies of freedom who hate free institutions now deride democratic Governments as weak and inefficient.

We, the free men and women of the United States, with memories of our fathers to inspire us and the hopes of our children to sustain us, are determined to be strong as well as free. The apologists for despotism and those who aid them by whispering defeatism or appeasement, assert that because we have not devoted our full energies to arms and to preparation for war that we are now incapable of defense.

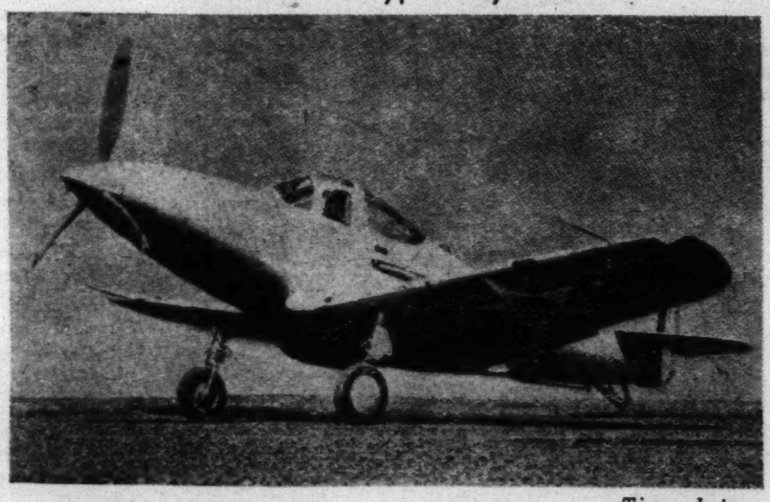
I refute that imputation.

We fully understand the threat of the new enslavement in which men may not speak, may not listen, may not think. As these threats become more numerous and their dire meaning more clear, it deepens the determination of the American people to meet them with wholly adequate defense.

We have seen nation after nation, some of them weakened by treachery from within, succumb to the force of the aggressor. We see great nations still gallantly fighting against aggression, encouraged by high hope of ultimate victory.

That we are opposed to war is known not only to every American but to every Government in the world. We will not use our arms in a war of aggression, we will not send our men to take part in European wars, but we will repel aggression against the United States or the Western Hemisphere. The people and their representatives in the Congress know that the threats to our liberties, the threats to our security, the threats against our way of life, the threats to our institutions of relegion, of democracy and of international good faith, have increased in number and gravity from

Another New-Type Navy Plane



Time photo

The Bell Aircraft Company's revolutionary new fighter has the Allison liquid-cooled engine in the fuselage behind the pilot's cabin. The result is improved visibility. The above fast Bell XFL-1 was exhibited in Buffalo for the first time a few weeks ago.

month to month, from week to week and almost from day to day.

It is because of these rapid changes, it is because of the grave danger to democratic institutions, and above all it is because of the united will of the entire American people that I come to ask you for a further authorization of $4,848,171,957 for the national defense.

Let no man in this country or any where else believe that because we in America still cherish freedom of religion, of speech, of assembly,

How the Pet Grew Up

London Daily Express

of the press, that because we maintain our free democratic political institutions by which the nation after full discussion and debate chooses its representatives and leaders for itself—let no man here or elsewhere believe that we are weak.

The United States is the greatest industrial nation in the world. Its people, as workers and as business men, have proved that they can unite in the national interest and that they can bring together the greatest assembly of man-power, of mechanical production and of national resources ever known in any nation.

The principal lesson of the war up to the present time is that partial defense is inadequate defense. If the United States is to have any defense it must have total defense. We cannot defend ourselves a little here and a little there. We must be able to defend ourselves wholly and at any time. Our plans for national security therefore should cover total defense. I believe that the people of this country are willing to make any sacrifice to attain that end.

After consultation with the War and Navy Departments and the Advisory Commission of the Council of National Defense, I recommend a further program for the national defense. This contemplates the provision of funds and authorization for the material requirements without which the man-power of the nation, if called into service, cannot effectively operate either in the production of arms and goods or their utilization in repelling attack. In broad outline our immediate objectives are as follows:

1. To carry forward the naval expansion program designed to build up the navy to meet any possible combination of hostile naval forces.

2. To complete the total equipment for a land force of approximately 1,200,000 men, though of course this total of men would not be in the army in time of peace.

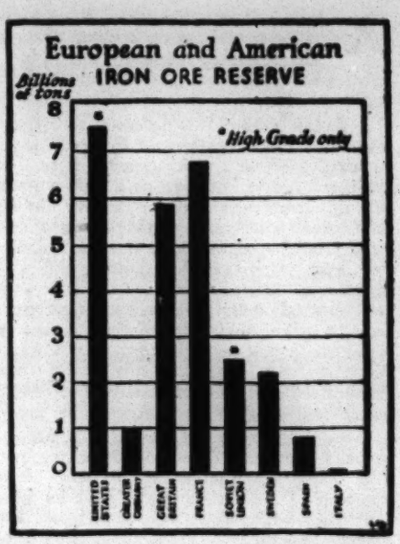
3. To procure reserve stocks of tanks, guns, artillery, munitions, etc., for another 800,000 men or a total of 2,000,000 men if mobilization of such a force should become necessary.

4. To provide for manufacturing facilities, public and private, necessary to produce critical items of equipment required for a land force of 2,000,000 men and to produce the ordnance items required for the aircraft program of the army and navy—guns, bombs, armor, bombsights and munitions.

5. Procurement of 15,000 additional planes for the army and 4,000 for the navy, complete with necessary spare engines, armaments and the most modern equipment.

The foregoing program deals exclusively with material requirements. The Congress is now considering the enactment of a system of selective training for developing the necessary man-power to operate this material and man-power to fill army non-combat needs. In this way we can make certain that when this modern material becomes available it will be placed in the hands of troops trained, seasoned and ready, and that replacement material can be guranteed.

I take occasion to report the excellent progress being made for the procurement of the equipment already ordered under authorization by the Congress. Every week more and more is being delivered. The several branches of the Government are working in close cooperation with each other and with private manufacturers. We are keeping abreast of developments in strategy, tactics and technique of warfare, and build our defenses accordingly.



Newsweek

The total amount which I ask of the Congress in order that this program may be carried out with all reasonable speed is $2,161,441,957, which it is estimated would be spent out of the Treasury between now and July 1, 1941, and an additional $2,686,730,000 for contract authorizations. So great a sum means sacrifice. So large a program means hard work—the participation of the whole country in the total defense of the country. This nation through sacrifice and work and unity proposes to remain free.

Roosevelt Believed Certain to Secure Democratic Nomination

Two years of silence on his intentions regarding third term renomination to the Presidency of the United States, were broken Wednesday night when Franklin D. Roosevelt, in a statement to the Democratic Convention at Chicago, announced he did not want the third term but would take it if the nation forced him to. Mr. Roosevelt to show his good faith, then released the delegates sworn to his support and with this masterly hit of political showmanship won the vociferons approval of 28,000 Democrats who packed the convention hall. Releasing the delegates was a gesture; the President is now a bigger man than any potential rival.

At the time of this writing, it appeared that the President would top all nominations on every ballot. The routine program called for presidential nominations Friday evening after the delegates had digested and approved the Democratic platform being drafted under the chairmanship of Senator Robert F. Wagner. Isolationists were reported to have scored an early triumph when a sub-committee of the Resolutions Committee recommended a strong peace plank in the platform.

Democratic Party Chairman James A. Farley, who has for long worked against the possibility of a third term nomination, was reported Thursday to believe in its inevitability and to be backing Reconstruction Finance Corporation Chairman Jesse Jones, for the vice-presidency as a sop to the country's conservative business interests.

Lull in Europe Precedes Axis Blitzkrieg Against England; French Rulers Model Fascist State

DEVELOPMENTS in the Far East, and the Democratic national convention in Chicago, all but crowded European war news off the front pages of the Shanghai press this week. War news was fragmentary and unspectacular. While the Petain Government was rounding out the features of the French totalitarian state, actual war news was mainly confined to Royal Air Force bombing raids over Germany, Nazi air raids over England, the sinking of British merchant ships, sporadic and small-scale naval actions in the Mediterranean, and Anglo-Italian hostilities in Africa. The war lull appears to be the calm preceding the storm which will break with alarming violence if and when the Nazi *blitzkrieg* against Britain gets under way.

Writing in the authoritative *Giornale d'Italia* on July 15, Signor Virginio Gayda hinted that peace terms would be offered to Britain before the attack begins. "Preparations for the final attack on England will be completed in a few days. Britain will be invited to submit or be destroyed immediately," declared Mussolini's spokesman.

If the Nazi-Fascist allies harbored any illusions that Britain will "submit," these must have been rudely shattered by a fighting speech which Winston Churchill, Britain's prime minister, delivered on July 14. Said he: "Should the invader come to Britain, there will be no passive lying down of people. We shall defend every village, every town, every city. We would rather see London laid in ashes and ruins than that it should be tamely and abjectly enslaved. Be the ordeal sharp or long, we shall seek no terms and we shall tolerate no parley. We may show mercy—we shall ask none. We are fighting by ourselves alone, but we are not fighting for ourselves alone."

Both British and German propaganda has been trying to minimize the effectiveness of the air raids carried out by their opponents. Yet it is clear that considerable damage is being caused by these incessant attacks. Hanson W. Baldwin, military expert of the *New York Times*, asserted last week that German raiders had attained much more in their attacks on England than the British were prepared publicly to admit.

There was less tardiness in admitting the growing shipping losses caused by the intensified Nazi U-boat campaign. The British Admiralty announced losses for the week ended July 7 as follows: 13 British ships totalling 75,833 tons, three Allied ships totalling 9,635 tons, and six neutral ships totalling 28,669 tons. These figures were above the average since the war started, but only slightly more than half of the highest total loss in one week. The loss of the 28,000-ton French liner Champlain, sunk June 27 in La Rochelle harbor, was reported by an American eye-witness who arrived in New York from Lisbon on July 12. The vessel carried a consignment of American airplanes. The crew were saved.

The German High Command announced last week that from the beginning of the war up to July 8 a total of 4,300,000 tons of enemy commercial shipping, or shipping useful to the enemy, had been sunk. Authoritative London quarters said this figure was more than four times the total of actual British losses up to July 1. It is clear, however, that regardless of actual figures, British shipping losses have been serious and are growing. If the present rate of sinking is maintained, Britain's supply lines overseas will be gravely endangered. The increased rationing in England is an indication that supplies have already been affected.

During the past week Anglo-Italian hostilities have begun to figure more prominently in the news. Italian planes have been conducting bombing raids over Malta. Gibraltar has also been bombed, either by Italian or German planes. Seeking to muster all forces to withstand Italian attacks, the British Government announced last week that it still recognized Haille Selassie as the ruler of Abyssinia and regarded that country as an ally of Britain. It was also admitted that contact had been made with General Abeba Aragui, commander of Ethiopian forces opposing Italy, and Ras Birru, former Minister of War in Abyssinia, who recently flew from Jerusalem to the Sudan to "join Ethiopian forces on the Emperor's behalf." In other words, the Ethiopian ruler whom Britain failed to aid against Italy five years ago, is now being used as a pawn for Britain's war purposes.

Moyale, a British fortress on the Kenya-Ethiopia frontier, has been under siege by Italian troops for more than two weeks and subjected to repeated Italian air attacks. British reinforcements are said to be endeavoring to reach the beleaguered garrison, but the Italians are pressing their attacks and the fort is expected to fall before relief can arrive.

Italy carried the war into Palestine this week when the port of Haifa, important British base, was subjected to air bombing on July 15. Haifa is the terminus of the pipe-line which brings oil from the British oil-fields in Mosul and its large oil storage tanks form prominent targets for bombers. London reported that the Italian raiders claimed several victims and caused some damage, the extent of which was not indicated.

A *Transocean* report from Ankara on July 15 stated that General Wavell, commander-in-chief of British forces in the Near East, had addressed an ultimatum to the authorities of Syria, demanding the immediate surrender of French air force units stationed there. A British assault on Syria was predicted failing compliance with this demand. M. Gabriel Puaux, High Commissioner for Syria, and General Mittelhauser, commander of the French forces there, have both proclaimed their adherence to the Petain Government.

Egypt, an "ally" of Britain, is maintaining diplomatic relations with the Petain Government although Britain does not, according to the same German agency, reporting from Stockholm on July 15. This divergence in attitude was said to have been officially admitted in London, after the Under-Secretary of State in the Egyptian Foreign Office had declared that recent developments had not influenced Egypt's relations with France, which Egypt continued to regard as a political unit.

The Madrid correspondent of the *Popolo di Roma* reported last week that there were growing indications of an imminent British attempt at a *coup de main* against Portugal. Britain, the correspondent said, is extremely anxious to obtain military bases at Cape Santa Maria and Cape Sagres in the extreme southwest of the Iberian peninsula, since military experts believe that Gibraltar, while it cannot be taken from the sea, might easily be attacked by land, so that its loss must be reckoned with if Spain should enter the war on the side of the Axis Powers.

The totalitarian regime in France got into its stride late last week, its first act being a large-scale "purge" after the Hitler-Stalin models. A large number of politicians and journalists were placed under arrest, but their names are not yet known. At the same time, the London Exchange-Telegraph said it had "learned re-

liably" that the Germans had made 17,000 political arrests in France since the French capitulation.

A decree issued in Vichy, present French capital, on July 11, conferred on Marshal Petain the title of "Chief of the French State"—otherwise the Fuehrer of France—after the National Assembly by 569 votes to 80 voted a "reform" of the French constitution. Under the new constitution, the slogan "Work, family and fatherland" replaces the time-honored "Liberty, equality and fraternity."

M. Pierre Laval, given the post of Vice-Premier in the new cabinet, is the real dictator, with Marshal Petain occupying a somewhat decorative position. The remaining cabinet members are: Minister of Justice, M. Raphael Alibert; Minister of Foreign Affairs, M. Paul Baudoin; Minister of Finance, M. Yves Bouthillier; Minister of Defense, Gen. Maxime Weygand; Minister of Education and Fine Arts, M. Emile Mireaux; Minister of Interior, M. Adrien Marquet; Minister of Youth and Family, M. Jean Ybarnegaray; Minister of Agriculture and Food, M. Pierre Caziot; Minister of Transport, M. Francois Pietri; Minister of Colonies, M. Henry Lemery.

Among those who voted against the new constitution, *Transocean* reported July 13, were the Marquis de Chambrun, Pierre Chaumie, Marx Dormoy, Justin Godard, Paul Boncour, Camille Holland, Vincent Auriol, Leon Blum (leader of the French Socialist Party and former Premier), Champetier Deribes, Jean Hennessy, Jules Roche, Marius Moutet. Notable absentees from the Assembly were the ex-premiers Edouard Herriot and Edouard Daladier, according to the German news agency. Opponents of the new constitution who cannot make their exit from France are likely to be included in the widening "purge" especially those who, like Leon Blum, are of Jewish origin.

M. Pierre Laval, the new dictator by grace of Nazi Germany, outlined on July 16 some of the features of the French authoritarian state. The Government, he said, will follow a "generous policy" toward both capital and labor, but will not allow strikes and lockouts or the stimulation of class differences, because it is "firmly attached to the maintenance of order and respect for work." In place of the trade unions and employers' organizations there will be "corporative groups of workers and employers which will negotiate directly between themselves . . . If they cannot agree, the Government will decide for them, but will forbid any action by either side . . . The Government will use the authoritative language necessary to establish salutary discipline." This is the language of Nazism and Fascism. Yet only yesterday M. Laval was a champion of democracy! It required a German victory over France for the French ruling class and its political spokesmen to reveal their true inclinations.

A *Transocean* dispatch from Vichy, just prior to the meeting of the National Assembly, constructed from conversations heard among those attending, the following picture of the "new" France that is to be created:

1. France is an agrarian country. Her colonial possessions must be exploited according to the principles of an agrarian policy. The protection of farmhands and the checking of the flight from the land are the most urgent tasks of the nation.

2. In her relations with neighboring countries, France must start out from the fact that she is an agrarian country. Every attempt to catch up with or compete against the high industrialization of her German neighbor must be checked. The reduction of French industries must be contemplated in order to pave the way for France in a European-planned economic system.

3. The French youth must be prepared for the coming tasks in youth organizations run by the State. Those tasks located on the land and the introduction of compulsory labor service for the youth must be regarded as the immediate goal.

4. France belongs to the French. The policy of friendship towards emigrants must end. France must be purged of thousands of foreign emigrants.

5. A new marriage law must forbid marriages of Frenchmen and Frenchwomen with other races, especially marriages with Jews and colonial races.

6. A new labor law, labor courts, and care for the leisure time of workmen must raise the social standing of French labor. The selection of talented boys and girls for attendance at higher schools, a uniform school system, and a change in the school curriculum with a view to stressing farm work, must change the social structure of France.

Puppets Obtain $300,000 Monthly From Badlands Gamblers

The *Central Press Service*, news agency operated by the Wang Ching-wei regime and edited by Tang Leang-li, "Minister of International Publicity," stated in a report issued on July 13 that the puppet regime derived a monthly income of $300,000 from "taxes" levied on the "amusement" resorts in the western residential district of Shanghai. The amusement resorts referred to are gambling and opium-smoking establishments which were opened here following the arrival of the Wang Ching-wei group and the creation of the puppet government in Nanking.

Nothing was stated in the report about the amount of "taxes" paid to the Special Service Section (SSS) of the Japanese Army which provides protection for the joints. The account claimed that the $300,000 received by the puppets "was entirely devoted to local administration and charity activities such as maintenance of a fire department, a charity school for women and children and a refugee hospital." The number of resorts, according to the account, was 24, but recently the number was reduced to 10.

The *Central Press* account stated that the Nanking regime had issued an order for the closure of the places "in order to ensure public peace and order," but the "Committee for the Liquidation of Amusement Houses in the Western District," had submitted a petition to the Ministry of Police of the government claiming that the sudden closing of the houses "would deeply effect the livelihood of 100,000 persons who, in one way or another, were connected with the establishments." The report published on July 13 stated that the proprietors of the joints, "as concrete proof of their sincerity, had voluntarily reduced the number of houses from 24 to 10." The proprietors also "indicated their willingness to establish and support ten primary schools, two middle schools and a municipal hospital in the western district."

The order allegedly issued by the Nanking Executive Yuan (presided over by Wang Ching-wei) for the houses to close "within three days" was not carried out, as was proved by the appearance of advertisements of two of the houses in late issues of Wang Ching-wei's paper, *Central China Daily News*. Wang's paper on July 14 contained an advertisement of a gambling-opium-smoking joint at 99 Jessfield Road, called the "Shanghai Garden," which offered to send a free motor car for customers who would call its telephone number. The issue of Wang's paper on July 16 contained an advertisement of another house of similar character, located on Hoping Road, back of the Ford Hire Station at the end of Bubbling Well Road and only a few yards from the border of the International Settlement. This place also offered to send a free motor car for patrons. The *Ta Wan Pao* on July 17 contained advertisements of four houses, all operating gambling devices and opium-smoking divans. They were, Shanghai Garden, corner Connaught and Yen Ping Roads; Welton, 1901 Yu Yuen Road; 24 Yu Yuen Road, and a place called the "Garden Dance Hall," at 1238 Yu Yuen Road. Another place advertised in another paper was listed as the "Night Garden," located at No. 864 Yu Yuen Road.

None of the reports mentioned two outstanding places which have a special status, the "China Club," located at Tifeng and Bubbling Well, which allegedly is owned by high members of the Wang regime and is used by them as headquarters in Shanghai. The other is Farrens, located adjacent to the American Columbia Country Club, which claims to have a special license from the No. 1 Japanese "protector" of amusement resorts, a Mr. Miura. Farrens, Ltd., is owned by Joe Farren, a Hungarian and E. T. Riley, an American.

Ichang Continues to be Scene of Fighting; Chinese Hold South Bank of River

ICHANG on the Yangtsze remains the center of the only large-scale fighting in China, according to both Chinese and Japanese reports last week. The Japanese forces which captured the city early in June after a rapid 10-day drive south from the Han River, have been hard-pressed by Chinese counter-attacks and plane raids ever since. The Chinese continue to hold the entire south bank of the Yangtsze at Ichang and have succeeded in digging themselves in while beating off repeated Japanese attempts to cross the river. It is estimated that each side has lost 5,000 men in the operations around the city.

East of Kaifeng, which the Japanese captured several weeks ago and Chinese forces succeeded in re-entering June 30, 20,000 Chinese puppet troops of the Chang Lan-fung army corps, the largest puppet group being used against national troops by the Japanese, were reported on July 11 to have deserted to Chungking. The same day another 1,000 puppet soldiers were reported to have deserted, south of Tsaoyang. These defections, according to Chungking, were damaging the morale of Japanese front-line troops in many parts of north China where the rear is held by the puppets. The deserters have allegedly been used with good effect against their former Japanese allies in eastern Honan and northwestern Anhwei. In south China a Chinese puppet "pacification corps" under Gen. Hwang Ta-wei established headquarters on the Fukien-Kwangtung border, July 14, for the purpose of combatting Chinese guerrilla units.

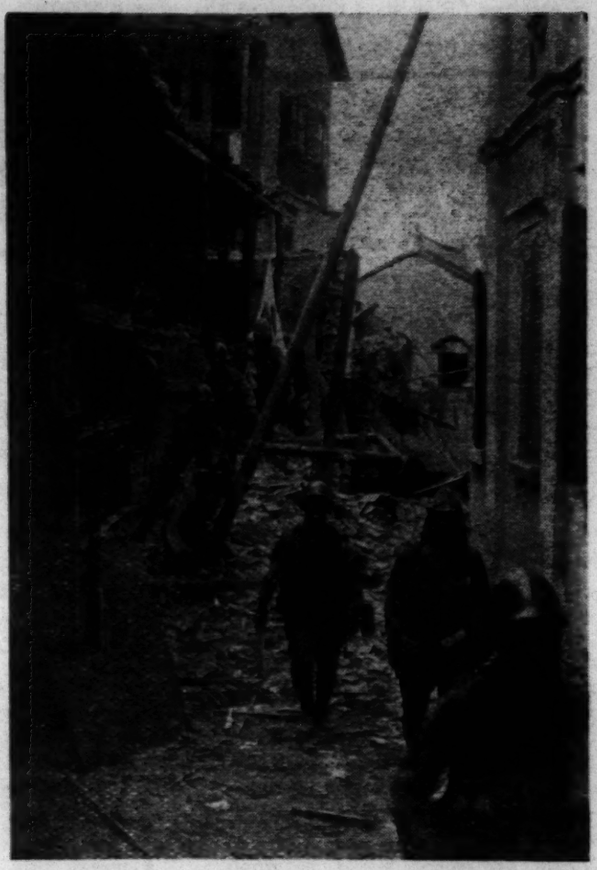
Chinese sources claimed renewed activity of guerrillas in the Shanghai-Hangchow-Nanking triangle last week with 1,000 Japanese troops killed. A Chungking claim also announced the blowing up of a Japanese troop train between Shanghai and Nanking on June 19.

Japanese airplanes bombed Chungking for the 23rd time this year on July 16. The raid concentrated on the new streets and millitary establishments within the walled city, according to *Domei*. A number of small restaurants and dwelling houses were destroyed.

Using the same wishful thinking which has been the weakness of Chungking adherents in their analysis of Japanese financial strength, the Japanese army published a communique on July 12, in which reasons were advanced for the imminent financial collapse of the Chinese war effort. The Japanese communique based entirely on estimates, declared that during the past 35 months of resistance to Japanese aggression, Chungking must have been spending at least $200,000,000 per month, a total of $7,000,000,000 for the whole period. On top of this, declared the communique released through *Domei*, the national government also confronts heavy decreases in revenue. This was estimated at an 80 percent decrease in consolidated tax, a 70 percent decrease in other taxes and a 30 percent decrease in direct taxes. Furthmore, the resume announced, remittances from overseas Chinese reached a peak of $600,000,000 in 1938, dropped to $100,000,000 in 1939 and for the first six months of 1940 have been $15,000,000. The revenue of the national government from all sources, foreign and domestic, was estimated at only $11,600,000,000 for the present year.

Statistics released by Chungking on July 14 revealed that after three years of war, Japanese forces occupy less than half the territory of 14 provinces in which hostilities are taking place.

Shasi Falls to Invader



Press Union Photos

Japanese troops entered the Yangtsze port of Shasi, Hupeh, below Ichang, on June 7 at the outset of their rapid drive on the latter city. Top photo shows a mopping-up squad scouting a bombed street in search of snipers. Lower photo shows the Japanese vanguards entering the deserted main street, with an abandoned traffic policeman's stand in the foreground.

U.S. Lifts Quota Limits for Children

The comparatively few European refugees who have been able to enter the United States from the war-torn areas of Europe may shortly be increased by the admission of numbers of children following a decision of the United States Government, announced this week, to lift quota restrictions which ordinarily would be applied. Children under 16 years of age will be freely admitted, provided that persons or organizations in the United States agree to care for them and on condition that they return after the war to the countries whence they come.

The British Government announced July 16 that the impossibility of providing naval convoys would prevent evacuation of children from the British Isles for the time being.

The National Maritime Union, A.F. of L. affiliate with a large membership on the Atlantic seaboard of the British Isles to evacuate children to the United States. The offer was made to the United States Committee for the Care of European Children upon condition that no discrimination be drawn between the children of the poor and those of the wealthy and that some American steamship company provide the children with free passage. The first American mercy ship carrying food to France, reached United States, offered on July 14 to furnish a crew without pay to man a mercy ship if one is sent to the Marseilles July 15, according to a report from Switzerland.

The most notable addition to the list of war refugees to America last week was Maurice Maeterlinck, famed Belgian poet and author of *The Bluebird*. Maeterlinck, who is nearing 78, arrived in New York penniless. He said his small savings in a Brussels bank had been confiscated. Another expected evacuee to the United States in the near future will be Norwegian authoress and Nobel prize winner Sigrid Unset who, according to *Transocean*, left Sweden for the United States via Siberia July 13.

Nazi Statement: "The Fuehrer Loves Little Children"

Daily Herald, London

Japanese Donate Freely To Continued War Effort

The Japanese people have contributed no less than Yen 32,340,547 besides gifts of useful articles to the army, since the outbreak of the China war, it was reported by *Havas* on July 11. The contributed articles include millions of comfort kits from Japanese all over the world.

A further manifestation of the Japanese desire to support the war, according to *Havas*, was forthcoming on July 11 when 16,000 Tokyo police and firemen bought Yen 100,000 worth of government bonds when they received their bonuses on that day.

Japanese Buy Belgian Owned Tram Company

Negotiations were concluded this week by the North China Electric Industries Company, a Sino-Japanese concern, for the purchase of the Tientsin Tramways and Lighting Company, a Belgian firm. The Tramway company has a registered capital of $3,000,000, half subscribed by Belgian and half by French interests. Besides running tramcars in Tientsin, the company supplies electric current to the Italian concession, Special District No. 2 and part of Special District No. 3.

Britain Capitulates On Burma Road

Terms of an Anglo-Japanese agreement concerning the Burma Road and Hongkong were announced by the Foreign Office in Tokyo on July 17. They provide that for three months, beginning July 18, the British Government will prohibit transportation through Burma of arms, ammunition, gasoline, trucks and railway materials. A similar prohibition is applied in the case of Hongkong. As part of enforcement measures, the agreement states that Japanese consular authorities at Rangoon and Hongkong will maintain close contacts with the British authorities concerned.

GENERAL CHIANG PROTESTS

In a press interview at Chungking, prior to official announcement of the British surrender to Japan, Gen. Chiang Kai-shek declared: "I believe that Britain will not attempt any such action (closure of the Burma road), which is contrary to international law and international agreements, and derogatory to British prestige. If the question of transportation along the Yunnan-Burma highway is linked up with the question of Sino-Japanese peace, that would be tantamount to British assistance to Japan to coerce China to capitulate. The result would be the sacrifice of China's friendship as well as Britain's position in the Far East." General Chiang added that closure of the Burma road would result only in a prolongation of hostilities. China's war of resistance could never be stopped by pressure, he asserted.

HULL CONDEMNS DEAL

U. S. Secretary of State Cordell Hull stated July 16 that the United States would be opposed to an agreement for closure of the Burma road, since the Government "has a legitimate interest in keeping open arteries of commerce in every part of the world and considers that action such as this, if taken, and such as was taken recently in relation to the Indo-China railway, would constitute an unwarranted obstacle to world trade."

This statement was attacked by the Foreign Office spokesman in Tokyo, who said that Mr. Hull must have made it "under some evil influence." Agreement to close the Indo-China and Yunnan routes into China, he stated, permitted no meddling from any third power. In securing closure of these routes, he added, Japan had no intention to prohibit third-power trade but merely desired to halt transportation of war supplies to the Chungking regime.

Indo-China Moves Into Japanese Orbit

FRENCH POLICE OFFICIAL QUITS CONCESSION FORCE

A sign of the hectic times confronting the Shanghai French Concession, was the unexplained resignation last week of Mr. Robert Jobez, Deputy Commissioner of French Police. Before coming to Shanghai to join the local force five years ago, Mr. Jobez served with the French Police in Tientsin. His resignation followed on the heels of a report that 38 members of the International Settlement force have resigned in recent weeks because their superannuation funds were not guaranteed.

In accordance with the recent agreement between local French and Japanese authorities, Japanese police were increasingly active in the French Concession last week, participating in the search of a Chinese radio warehouse on Route Say Zoong. It was reported that the French authorities would be asked to close the warehouse which the Japanese believe is owned by the Chinese government. Japanese consular police also took part in the arrest of three Korean drug smugglers in the Concession last week. The men were arrested at a house in Route des Soeurs in which four and a half pounds of heroin, $20,000 and Yen 25,000, were found in the false drawer of a bureau. A second batch of drugs was seized in an adjoining house.

French Indo-China moved into closer cooperation with Japan this week, both politically and economically, following assurances from Governor-General Catroux that all efforts of his regime would be bent towards helping Japan end the China war and towards increasing trade with the island empire.

While Japanese inspectors sent to Indo-China to supervise closure of traffic routes with China, swarmed over the colony and among other, things made contact with Japanese military forces on the Yunnan border, Gen. Catroux announced he would ignore the recent orders of the Petain government which appointed Vice-Admiral Decoux, Commander-in-Chief of the French fleet of the Far East, to succeed him as head of the colonial government. Catroux' stand evidently had the approval of Tokyo, because on July 13, the same day it was made, he had a long conversation with Major-General Issaku Nishihara, head of the Japanese Inspectorate, and representatives of the Japanese Army of South China. It was then that he promised to cooperate fully with Japan and also to refer matters outside his jurisdiction to the French Government, indicating that his relations with Vichy are not so strained as they appear on the surface.

There was a good possibility this week that Indo-China might align itself with the yen-bloc countries in commercial affairs. This development was pointed to in a statement issued July 15 by the colonial government which announced that Japan has already replaced France as the chief purchaser of agricultural products and will buy ever-increasing quantities of coal, salt, rubber, zinc and phosphates. In turn, Indo-China will purchase more cotton yarns, raw silks, rayons, ceramic wares and chemicals from Japan, the statement said. It emphasized, too, the importance of granting Japan the benefit of the lowest tariffs possible in pursuance of the Franco-Japanese treaty of 1932.

Home Trade Cut

The statement pointed out that until the outbreak of war in Europe France had taken more than 50 percent of the total exports of Indo-China. Since the war, however, this trade has dropped sharply. In the first eight months of the war, the colony shipped only 300,000 tons of goods home while in the corresponding period of the previous year home exports had totalled 940,000 tons. Emphasizing the desirability of increasing trade with Japan, the statement gratuitously remarked that there was a limit to the export of agricultural products to the United States.

Following a tour of the Indo-China border posts by Gen. Nishihara on July 14, the Tokyo Foreign Office stated that satisfactory relations were being established with French officials throughout the colony. Another 10 Japanese arms inspectors were reported to have arrived July 12 in the French leased territory of Kwangchowan, Kwangtung Province.

Yen Bloc Trade Hit By War in Europe

The European war has dealt a severe blow to Japan's trade with non-yen-bloc countries, according to recent figures released by the Japanese Ministry of Finance. Although the early stages of the war favored commerce between Europe and Japan, the spring blitzkrieg launched by Germany caused a serious setback in this field, creating in the first six months of this year a deficit of Yen 503,085,000.

Total Japanese exports amounted to Yen 2,080,980,000 in the first six months of 1940 an increase of Yen 403,456,000 over the corresponding period of 1939. But exports to the yen-bloc countries formed the bulk of this trade, whereas Japan gets almost three-quarters of her imports from non-yen-bloc countries.

On the other hand, Japan's trade with the yen-bloc countries showed marked improvement during the first half of 1940. The excess of exports over imports to these satellites amounted to yen 665,536,000 during the period as against yen 452,817,000 for the corresponding 1939 period.

The extension of the theater of operations of the European war hit both Japan and Manchukuo hard. When Italy entered the conflict Manchukuo lost the last of its foreign trade outside the yen-bloc. This had at one time been carried on with Germany also. The yen-bloc is now trying to stir up trade elsewhere. On July 4, Spanish and Japanese representatives signed a joint declaration in Tokyo for the promotion of commerce between their two countries. Last week the Spanish mission was visiting Manchukuo and registering further hopes for the establishment of commercial ties between that country and Spain.

The Japanese authorities have also moved to protect their currency and trade in North China. Third-power nationals resident in Shanghai who desire to travel in Japan, Manchukuo, North China or South China, will henceforth be allowed to carry no more than yen 200 with them, but will be permitted to carry a bank draft up to the amount of yen 300, *Domei* reported last week. Travellers who are accompanied by members of their families will be allowed a 50 per cent increase in the bank draft per person, excluding children.

U.S. Marines Resist Japanese Demands

The unbroken record of Japanese diplomatic triumphs over third powers during recent months has received a sad setback at the hands of the U.S. Fourth Marines. Up till press time there was no indication that the regiment now garrisoning Shanghai's International Settlement, would submit to the Japanese military demand that suitable amends be made for the arrest in the American defense sector on July 7, of 16 Japanese gendarmes. The quarrel which has already dragged out two weeks appears near solution, however, with recurring rumors of an American-Japanese joint statement on the subject.

On July 10 a crowd of Japanese men estimated at 1,000 to 3,000 strong, met in a Hongkew hall to protest the arrest. The meeting ended by passing a resolution that Col. Peck be made to apologize to the Japanese army before "an international body." Next day Secretary of State Cordell Hull in Washington, voiced his view of the incident's importance by declaring it should be settled between the parties concerned in Shanghai. Tokyo subsequently made a similar declaration.

A delegation of Japanese army officers called on Col. Peck on July 11 to explain further the Japanese views. The conversations were cut short when Col. Peck was called away on business and the delegation returned next morning. On Saturday morning, July 13, Col. Peck himself called on Maj.-Gen. Saburo Miura, commander of the local Japanese gendarmerie, but after a two-hour conference failed to reach a satisfactory agreement on the dispute. Gen. Miura returned the call on July 15 when he and Col. Peck were closeted for more than three hours. The upshot was a statement by a Japanese spokesman that a joint communique might be issued in a few days.

Japan's Opium War on China

BY C. Y. W. MENG (孟長泳)

JAPAN in now waging war on China in an attempt to "beat China to her knees." Japan is also waging an economic war designed to grab Chinese mineral recources and to seize Chinese industrial establishments. Japan is also waging a currency war to disturb Chinese national currency and destroy the Chinese financial structure. But Japan is also waging another "Opium War" with the Chinese nation.

On June 1, 1940, the Chinese "Six-Year Anti-Opium Suppression Campaign" came to an end. Opium-smoking is now a capital offence, punishable by death. But in their efforts to suppress opium-smoking, opium trade and smuggling China has to meet a direct challenge by the Japanese invaders who have been "dumping" opium in both free and occupied China in attempts to demoralize the Chinese and "to conquer China with Chinese."

Chinese Government Initiates Opium-Suppression in Szechuen

Thomas Kwong photos

The Chinese Government has initiated an opium-suppression campaign in Szechuen Province, which, with Yunnan province has been China's most prolific producer of the drug. The suppression campaign was started in Chungking and accompanied by an extensive publicity campaign and a public burning of opium and opium-smoking paraphernalia seized from addicts. On the right is a collection of opium-smoking pipes and equipment, piled in the public square for the burning.

In Manchuria

Japan's narcotic policy in China dates back to the Manchuria Incident in 1931. The four northeastern provinces, immediately upon their occupation by the Japanese, saw a wholesale influx of Korean and Japanese "ronins." These, with the support of the Japanese Kwantung Army, set up opium dens and shops for the sale of morphine, heroin, red pills and white powder throughout Manchuria.

By 1934, Manchuria's narcotic figures reached startling dimensions. The opium poppy was planted over a total area of 177,750 *mow* (1 *mow* equals one-sixth of an acre), not including Heilungkiang province. In the province of Jehol alone, poppy fields totalled more than 100,000 *mow* in 1938. Opium revenue collected by the Manchukuo government from Jehol amounted to $3,000,000.

According to a report of the People's Welfare Ministry of Manchukuo, made public August, 23, 1938, registered opium addicts in the four northeastern provinces totalled 585,267. Shortly afterwards the number of registered smokers in Manchukuo, according to official Japanese estimates, was increased to 13,000,000—more than one-third of the entire population in the northeast.

In Harbin alone, according to a report made by the director of the Opium Administration Bureau of the Harbin Municipal Government on May 4, 1938, there were 76 registered opium dens and more than 1,000 unregistered ones. From January 1, to November 4, 1938, 793 corpses of opium addicts or users of other narcotics were found exposed on the streets of Mukden. The great number of people who die of narcotic poisoning in Manchuria each year is shocking.

Growing Commences

A conference of great importance was held between a representative of the governor-general of Korea and Manchukuo authorities on December 5, 1938. Three resolutions were adopted at the conference; one sanctioned the growing of opium in Manchuria, another the export of opium to Manchuria from Korea, and the third the manufacture of morphine and heroin in Manchukuo. On January 1, 1939, the ministries of Finance, Industries and People's Welfare of the Manchukuo government jointly issued a new set of rules and regulations governing the purchase of opium from Jehol. It was hoped that through this new ruling the opium revenue of Manchukuo might be increased by $3,800,000 annually.

Today, Jehol is a veritable "black" province. Most of the low-quality narcotics in Shanghai come from Jehol, with Shanhaikwan, bordertown between Hopei and Manchuria, and Dairen, as the transhipment centers. The Manchukuo Ministry of Finance listed in its budget for 1939, $90,908,400 as tax revenue from the production and sale of opium in Manchuria. This marked a 28 per cent increase over 1938. The actual revenue from opium for 1939 exceeded the budgeted amount. It occupied second place among the government's revenues. No doubt, the Manchukuo dollar bears a poppy emblem! A Hongkong telegram published in the *Central Daily News* in Chungking on March 8, 1939, stated that a lion's portion of the $6,000,000 Japan collected from Manchukuo for war purposes in that year was derived from opium taxes.

Cancel Opium Laws

The Peiping provisional government set up by the Japanese issued an order on February 24, 1938, cancelling the opium-suppression laws of the Chinese government. All smokers, sellers, smugglers, traffickers and other breakers of the opium suppression law were set free. The much-fought and yet unconquered evil of opium and other narcotics become more widespread, creeping like a poisonous vine to every nook and corner of the Japanese-dominated territory of North China.

The Japanese militarists had long broken the ground for their malignant narcotic policy in North China. Even prior to the Lukouchiao incident on July 7, 1937, Japanese and Korean "ronins" had invaded different parts of North China in large numbers to work under the direction of the Japanese Special Service Bureau as forerunners of the poison onslaught. As far back as 1936, opium dens run by Japanese and Korean dealers in

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Hopei province alone totalled more than 700. Such establishments also prospered in the provinces of Chahar, Suiyuan, Shantung and Shansi.

In Shansi and Suiyuan

The growth of Japan's narcotic trade in North China took a dramatic spurt following the military occupation. One Japanese concern was said within five months to have bought from America and sent to the Japanese Concession in Tientsin 650 kilograms of heroin, enough for 10,000 addicts for one year. An amazing quantity of opium was imported from Persia to North China. Hopei and Shansi provinces have been hardest-hit by Japanese dope-dumping. The dealers have their stronghold in Tientsin. There are numerous Japanese firms doing "import" business, and the imported "merchandise" is sometimes kept in the Japanese consulate against any molestation. The Japanese-controlled *Yung Pao*, a vernacular Chinese daily in Tientsin, reported on November 12, 1938 that the Tientsin branch of the puppet tax bureau received instructions from Peiping saying that in addition to those already licensed, 189 new opium-selling and smoking houses would be allowed within the confines of Tientsin.

A survey conducted in 1939 showed that there were in the Japanese concession of Tientsin more than 1,000 heroin shops, 200 heroin factories in which more than 1,000 Japanese experts and several thousand Chinese workmen were employed. In Peiping, the number of opium dens totalled more than 500 by March, 1939. Morphine and heroin, red pills and white powder are obtainable everywhere. Narcotics are also openly sold in Tsinan, capital of Shantung province. By the end of November, 1938, the number of opium-selling and smoking joints was increased from 40 to 136. Then raw opium was sold at $8 to $10 an ounce.

The widespread network of Japanese poison-dealing organization quickly spread from the principal centers to smaller cities and towns in North China. Smoke from the opium pipe soon darkened the sky over the various county cities under Japanese occupation. The Peiping correspondent of the *Manchester Guardian* wrote in 1936 that even in Changli, a small city on the Peiping-Liaoning railway in Hopei province, there were 116 Korean dope sellers.

Agents in Shansi

The enemy especially wanted to see Shansi province poisoned. Long before they despatched troops, they sent agents to push the narcotic trade. Today, opium, morphine and heroin have swept the entire "occupied" territory of Shansi province. The expanse of land north of Taiyuan and Lingshih is planted with poppy. Almost every farming family is compelled to grow opium. In the legislation of the puppet government of Shansi, special pains were taken to promulgate a set of rules and regulations whereby the ignorant famers addicted to the use of narcotics could present cotton, rice, cloth, pork, beef, mutton, eggs, oil, charcoal or other daily necessities in exchange for red pills. Within a radius of seven miles from the county city of Suohsien, no less than one-fifth of the cultivable land is devoted to the growing of poppy. In the county of Chingyuan, famers have to pay a tax of $8 for each *mow* of land on which they grow opium. In Lishih, opium growers pay $2 to $5 per *mow*.

The puppet Shansi provincial government depends on the so-called "amusement" tax as one of the major sources of income. This tax is collected from those who frequent the opium dens. The Japanese and Korean "ronins" don't call their establishments by their real name. They call them "come and be merry" houses.

Forced to Plant

Suiyuan province has also a black tale to sell. A Hongkong telegram of the *Central News Agency* dated March 12, 1940, reported that the enemy at Poatow were forcing the people there to grow opium. Out of the produce of each *mow* used for opium-growing, the Japanese took as their due 30 ounces of dry opium. All the opium growers must sell their harvest at a price fixed by the Japanese, who send the "product" to Tientsin. In this manner, the enemy can pocket $100,000,000 from Suiyuan province each year.

When Wang Ching-wei assumed office as figurehead of the puppet "Central Government" in Nanking early this year, he had to promote, on a much larger scale than ever before, Japan's narcotic policy. The public sale of opium and heroin under the former puppet regime in Nanking, according to a report written by Professor M. S. Bates of the University of Nanking for an American newspaper on November 22, 1938, was valued at between $2,000,000 and $3,000,000 each month.

Nanking Situation

The import and sale of opium and other narcotics in Nanking was handled by the "Opium Suppression Bureau" of the puppet Nanking Municipal Government. That government needed a monthly income of $3,000,000 in order to make ends meet, and a considerable portion of it was derived from opium and narcotics. There were in the city of Nanking more than 30 public opium selling houses and 175 opium smoking dens. In addition, opium was obtainable in all hotels, and there were 14 particular opium hotels where the customers could smoke. Public selling houses flourished, with daily business returns of $66,000.

Nanking, under Japanese control, boasts of four heroin kings. As agents of the enemy and their puppets, they monopolized the heroin import business in Nanking. They had under their employment 2,400 persons. Thousands of ignorant Chinese inhabitants of Nanking have been victimized. The poisonous drug exacted a daily death toll of 20 to 30. Of the 480,000 population, at least one-fourth has become addicted to the use of heroin.

In Shanghai

Shanghai is another center of Japan's narcotic trade in Central China. There are 70 secret Japanese-sponsored narcotic stores in the International Settlement doing $1,500-000 worth of business each month. Of that amount, $250,000 comes from the sale of heroin. Shanghai's opium supply comes from five different sources: Persia, Jehol, Chahar, Sui-yuan and Manchuria. Japanese steamers transport it to Shanghai. Heroin comes mainly from Dairen and Shanhaikwan. According to an estimate made public in December, 1938, Shanghai's daily consumption of opium totalled 5,000 catties. Of this amount, 2,000 catties was derived from Persia.

The system of organization under which Japan pushes her narcotic trade in Shanghai was described in a Hongkong telegram of the *Central News Agency* Dated April 13, 1940. The Mitsui Bussan Kaisha imports the dope to Shanghai and delivers it to the Opium Dealers Guild as the sales agent. The wholesale agencies are located in Zaukadoo, Hongkew and Nantao districts, with the distribution center in the premises of the Bank of China in Hongkew. Opium and narcotic shipments to Shanghai are escorted by Japanese army and navy guards. A notorious Chinese gangster named Yen Chao-sheng acts as the appointee of the puppet regime in Shanghai in the contraband trade. From the narcotic trade in Shanghai, the enemy make an average monthly profit of $6,000,000.

White Powder Versus Rice

In Nantao there is more white powder than rice. Every day after dusk can be seen lurking in one dark corner or another of small alleyways between the French Concession and Nantao, skeleton figures of pale-faced Chinese addicts. They sit down, wrap a little white powder with cigarette paper, roll it, light it at one end and take a few puffs. These miserable victims of Japan's narcotic invasion are doomed to die. Their death rate in Shanghai is estimated at several hundreds a month. Yet the Japanese are not content. They are planning to establish a big factory in Shanghai to engage in the manufacture of narcotics on a mass scale.

Opium has been openly sold in Japanese-controlled Hankow since March, 1939, with the "Opium Suppression Bureau" of the puppet Hankow Peace Preservation Committee as the "master mind". Opium selling hongs that sprang into existence in March, 1939 totalled 400, while opium smoking dens numbered around 200. Besides there were numerous Japanese "clubs" where frequenters would upon request be served with opium, white powder and other narcotics. The Japanese wire-pullers of the puppet Hankow Peace Preservation Committee netted $984,-550 from the narcotic trade in March, 1939.

In Chinkiang, Japan's "new order" also takes the form of opium selling, and smoking houses number 187. These joints have turned 120,000 ignorant but innocent Chinkiangites, nearly one-fifth of the total population in that city, into pale-faced and tattered addicts. They started with opium-smoking, but soon found the pipe beyond their means. So they had to end with the use of white powder or other cheap narcotics. Narcotics dumped and sold in Chinkiang each month are valued at $1,500,000.

A rough estimate puts the total amount of opium that passes through the hands of the "promoters" of the Japanese narcotic trade in Kiangsu, Chekiang and Anhwei each month at 1,000,000 ounces. At the rate of $3 per ounce, the Japanese tax income amounts to $3,000,000 monthly.

In Canton

The latest development in Japan's narcotic policy in China was marked by a thrust southward, following the enemy occupation of Canton in October, 1938. By the end of 1938, Japanese militarists in control of Canton received an all-important order from Tokyo. In this message, they were told that the Mitsubishi Shoji Kaisha had been instructed that, in addition to the 1,500 cases or 109,080 kilograms of opium consigned to Manchuria, 260 cases or 18,907 kilograms of opium should be bought from Persia and sent to Canton.

Since then the Japanese opium and narcotic trade in South China has spread throughout Kwangtung and Fukien provinces. On top of the dope

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Gangster in Business

In January, 1940 the corporation sent Wu Chao-chuan, a gangster in Amoy, to consult with Yeh Ho-ching, notorious "opium king" at Hongkong. It was agreed that Wu be appointed manager of the Fu Ching Company, a firm exclusively engaged in the opium trade in Amoy. He, together with Chen Pao-chuan, chairman of the company's board of directors, took charge of the opium business in Amoy. Yeh, the "opium king," is to take charge in Hongkong, while affairs in Canton are in charge of one Lin Hui-chung.

The Special Service Bureau of the Japanese army in Amoy accords every protection necessary for the transportation of opium and narcotics between the cities of Canton, Hongkong and Amoy. The enemy in Chaochow and Swatow have recently imported a huge quantity of narcotics from Formosa. It is reported that they have enlisted the services of Chinese traitors to carry such narcotics to the interior. To evade inspection, it is planned to conceal the drugs in coffins.

The present Japanese narcotic policy, which is the true name for the "New Order in East Asia," is not only destructive to the Chinese people but to the whole of humanity. So for this reason alone, the Chinese are justified in appealing to the world for action to thwart Japan's aggression in China. Unless the Japanese military and economic aggression in China is checked, there is no possibility for the Chinese to eradicate this evil.

Chungking, June 8, 1940.

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Japanese Navy Announces Blockade Of Chekiang Coast and Foochow

CHENHAI FORTS SHELLED BY NIPPON WARSHIPS

Japanese warships carried out an all-day bombardment of "enemy positions" centering on Chenhai on the southern coast of Hangchow Bay, commencing at dawn on July 16. Chenhai is the gateway to the important Chekiang port of Ningpo. A fort on Mount Paichi, in the vicinity, was occupied at 10 a.m., the Japanese claimed. Several islands in Hangchow Bay were occupied about the same time. Nine foreign vessels off Chenhai were examined by Japanese naval units as the naval operations got under way. One, a British ship, was reported detained, presumably on the ground that it had violated the Japanese Navy's blockade proclamation. The others were allowed to proceed. The Chinese authorities have placed Chenhai and Wenchow under martial law and women and children are being evacuated from both towns, where troops have been concentrated to resist Japanese landing attempts. Japanese navy units have blockaded the Fukien coast and have landed marines at several points.

HAVING pressed Britain into suspending transportation of war materials into China by way of the Burma-Yunnan highway, and after forcing the French to end similar traffic by way of the Yunnan Railway which runs from Hanoi to Kunming, the Japanese this week moved to close the last route into Free China by prohibiting all shipping traffic in and out of the remaining open ports of Chekiang and Fukien Provinces.

A proclamation issued Monday of this week by Vice-Admiral Shigetaro Shimada, Commander-in-chief of the Japanese China Seas Fleet, warned all shipping to keep clear of the Hangchow Bay and Nimrod Sound areas of the Chekiang coast, thus cutting off the ports of Wenchow and Ningpo from the outside world. The port of Foochow in Fukien Province, and the adjacent area, were also proclaimed closed. The proclamation was to become effective as from midnight on July 15.

Warning to Ships

Admiral Shimada warned that any vessel entering or attempting to enter the closed areas would be detained by naval forces under his command and that no responsibility would be assumed for losses, either direct or indirect, that might be suffered by vessels or their crews entering or leaving the specified areas after the time stipulated.

The Japanese *Domei* agency said the Admiral's proclamation was directed towards the "complete suspension of the supply routes to the Chiang Kai-shek government from points along the Chekiang and Fukien coasts, simultaneously with the closure of the French Indo-China and Burma routes." The Chiang Kai-shek government, the agency continued, had been making "desperate efforts" to secure supplies from Chekiang and Fukien by way of the Chekiang-Kiangsi Railway, with Ningpo and Wenchow as the centers of shipment inland. Imports and exports through these two ports, it was asserted, had increased by 1,636 times last year as compared with 1936 figures.

The agency omitted to mention an important fact in this connection—a fact almost universally known—namely, that these ports have also acquired importance as smuggling points for Japanese goods falsely labelled as Chinese products, and other goods as well. As reported extensively in *The Review* last Jan. 27 (Vol. 91, No. 9), the main source of the Japanese contraband trade is Tinghai, in the Chusen archipelago, where Nippon-made goods are given Chinese labels preparatory to shipment into Free China via the Chekiang ports.

Extensive Smuggling

Among the principal articles thus smuggled into this country are cigarettes, cotton fabrics, matches, kerosene and paper—and even gasoline. Of the articles smuggled out, there are tung oil, alum, bristles, hides, tea, raw cotton, hemp and flax, cotton seed oil, mustard seed oil, coal tar, intestines.

The Japanese smugglers, who clearly have been operating under the protection of the Japanese Navy which controls the Chusan islands, have not hesitated to smuggle into Free China articles of military value, including such items as gasoline. Anything is smuggled that will yield a profit. In some quarters there is a belief that the Navy decision to exclude shipping from the Chekiang ports is a first step towards controlling and regulating the activities of Japanese smugglers so that the Chungking government shall not in any way benefit from their activities. Others view the step as intended in the main to still further curtail the trade with China conducted by Western nations.

British Make Protest

The local office of the British Embassy issued a statement in which objection was made to the Japanese move on the ground that inadequate notice was given and said that the Japanese naval authorities would be held responsible for any losses suffered by British shipping as a consequence of Japanese naval operations. The Embassy also protested the inclusion of a number of typhoon anchorages in the area to be closed, especially since the typhoon season is now on and ships might be obliged to seek shelter within the closed area.

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Kuomintang C.E.C. Session Ends; No Hint that Peace was Discussed

No hint that consideration was given to the question of peace between China and Japan came out of the Seventh Plenary Session of the Central Executive Committee of the Kuomintang which concluded its deliberations in Chungking on July 12. The Committee met secretly at an undisclosed place in China's wartime capital at Chungking in order to escape the attention of Japanese bombing squadrons, which, however, subjected the city to its twenty-first raid of the year while the session was in progress. Little has been disclosed of the actual proceedings, and this has tended to strengthen rumors of Japanese origin that the question of peace occupied a place on the agenda. The rumors, however, acquire a new significance in the light of reports this week that both Britain and Germany are active in trying to engineer peace between China and Japan in order to secure Japan as an ally.

Manifesto Issued

In a manifesto issued during the session, emphasis was laid on the vital relationship between China's military resistance and the maintenance of world peace. General Chiang Kai-shek, general executive of the Kuomintang, presided over eight important meetings during the session, which was attended by 142 members including 84 regular members of the C.E.C., 25 reserve members of the C.E.C., 24 regular members of the Central Supervisory Committee and nine reserve members of the same body.

The session adopted a total of 62 resolutions, eight of them on party affairs, 18 on political affairs, 12 on military affairs, 21 on economic affairs and three on educational matters.

While no changes will be made in the organization and personnel of the various departments of the central party headquarters, it was decided to establish a women's department under the aegis of the headquarters in order to promote the national women's movement. It was also decided to create a Ministry of Economic Warfare and a Wartime Economic Council. The present Ministry of Economics will be reorganized.

Mme. Chiang Kai-shek has been mentioned as possible head of the women's department and T. V. Soong as the new Minister of Economic Warfare.

Central Planning Bureau

Another innovation decreed during the session was the establishment of a Central Planning Bureau to make and approve plans for national, political and economic reconstruction. Organization of a Party and Political Work Examination Committee to examine the work, expenditures and personnel of party and government organs was also decided upon.

Reports on party, political, military, diplomatic, financial, economic, educational, administrative and communications affairs were submitted to and approved by the session.

On July 10, the Chinese Communist Party convened at Yenan, Shensi Province, according to a *Domei* report from Hongkong. The report, which was obtained at second hand, alleged that the convention met to elect a successor to Gen. Mao Tse-tung, leader of the Party who, according to reports received by the Japanese agency, is dead.

Another important political convention held during the early days of July, was the second plenary meeting of the Kansu Province Provisional Assembly which, according to *Kuo Min*, was formally opened in Lanchow on July 1 and was to continue till July 16.

Personnel of Session

The presidium of the C.E.C. gathering was composed of 11 members: Wang Fa-chin, Yu Yu-jen, Tai Chi-tao, Chen Kuo-fu, Ting Wei-fan, Sun Fo, Tsou Lu, Li Wen-fan, Chu Cheng, Feng Yu-hsiang and H. H. Kung.

Following is a complete list of the members who attended the Kuomintang C.E.C. Session:

Regular Members of the C.E.C.:—Chiang Kai-shek, Tai Chi-tao, Feng Yu-hsiang, Yu Yu-jen, Sun Fo, Wu Te-chen, Yeh Chu-tsang, Ho Ying-chin, Tsou Lu, Chu Cheng, Chen Kuo-fu, Ho Cheng-chun, H. H. Kung, Ting Wei-fen, Pai Chung-hsi, Liu Chih, Chu Chia-hua, Yang Chieh, Ma Chao-chun, Chang Chih-chung, Tseng Kwang-ching, Ho Chung-han, Fang Chiao-hui, Chen Chi-tang, Chien Ta-chun, Ho Chien, Tseng Yang-fu, Hsu En-tseng, Hung Lan-yu, Yu Ching-tang, Chen Tse, Chang Tao-fan, Chen Pu-lei, Liang Han-tsao, Li Tsung-huang, Liu Chi-wen, Hsu Yuan-chuan, Pan Kung-chan, Wang Fa-chin, Pai Wen-hui, Wang Lu-i, Chang Chun, Liu Wei-chih, Ting Chao-wu, Kan Nai-kwang, Chen Chi-cheng, Hsiao Chi-san, Li Wen-fan, Chang Li-sheng, Wang Pai-lin, Miao Pei-cheng, Ku Cheng-kang, Mei Kung-jen, Yu Han-mou, Wang Sou-fang, Lin I-chung, Wu Chung-hsin, Huang Hsu-chu, Chen Chao-ying, Hsiao Tung-tzu, Chow Chi-kang, Mai-Szu-Wu-Te, Hung Lu-tung, Chiao I-tang, Chen Shao-kuan, Peng Hsueh-pei, Hsia Tou-yin, Lu Chung-lin, Hsu Kan, Foo Ping-chang, Lo Ching-tao, Li Yang-ching, Wang Chuan-sheng, Hsueh Tu-pi, Lai Lien, Ku Cheng-ting, Yu Fei-peng, Hsiao Chen, Wu I-feng, Chen Shu-jen, Teng Chia-yen, Chu Chi-ching, Shih Tzu-chow.

Reserve Members of the C.E.C.:—Wang Yung-pin, Fu Ju-lin, Huang Chi-lu, Tang Sheng-chih, Huang Shih, Yu Chun-hsien, Chang Ting-fan, Wu Pao-feng, Lo Chia-lun, Hsieh Tso-min, Tuan Hsi-peng, Chen Pan-ling, Wang Mou-kung, Chen Fang-hsien, Li Tzu-huan, Cheng Chien, Chang Fang, Chang Chih-peng, Chen Yao-yuan, Chai Pei-lien, Wang Kun-lun, Chao Yung-I, Ou Fang-pu, Chan Chu-szu, John C. H. Wu.

Regular Members of the C.S.C.:—Lin Sen, Chang Chi, Wu Chih-hui, Yang Hu, Wang Chung-hui, Chiang Tso-pin, Cheng Tien-fang, Huang Shao-hsiung, Shang Chen, Chao Hua, Li Fu-lin, Mai Huan-chang, Lin Yun-kai, Ho

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The Stigma of Disgrace

Newsweek, U. S. A.

Wang Ching-wei, former high official and aide to General Chiang Kai-shek, and his wife, Madame Wang, who chose to became Japanese puppets. Patriotic Chinese, have erected statues of Mr. and Mrs. Wang in Chungking depicting them with bowed heads and arms bound.

Yao-tsu, Wang Tzu-chuang, Yao Ta-hai, Chin Te-shun, Wang Pin-chun, Hsu Yung-chang, Chang Jen-min, Lei Chen, Wang Shih-chieh, Liu Wen-tao, Li Tzu-wen.

Reserve Members of the C.S.C.:—Wen I-yu, Chang Mu-chun, Ti Ying, Yang Hsu-kan, Tsui Kwang-hsiu, Hu Wen-tsan, Li Chi-an, Hsiao Chung-chen, Sun Ching-ya.

Gen. Chiang Assails Roosevelt Statement

Addressing the closing meeting of the Plenary Session of the C.E.C. of the Kuomintang at Chungking on July 12, Gen. Chiang Kai-shek, according to *United Press*, assailed the idea of a triple Monroe Doctrine enunciated by President Roosevelt on July 6. Through the White House secretary, Mr. Stephen Early, the President propounded the principle of "America for the Americans, Europe for the Europeans and Asia for the Asiatics."

The slogan of "Asia for the Asiatics," Gen. Chiang declared, had been employed by Japanese propagandists since the Japanese invasion of Manchuria in 1931 and was intended to arouse Chinese sentiment against Western Powers in the Far East in order to promote Japan's aggressive designs. It was directed mainly at the United States, he added, because that country had stood for a policy of non-recognition of territory seized by force and for maintenance of the Open Door in China.

Distinction Drawn

The Generalissimo drew a distinction between the American conception of the Monroe Doctrine and Japan's idea of a Monroe Doctrine for East Asia. While the Monroe Doctrine might be practicable for the American continent, he said, the permanent establishment of world peace required conceptions extending beyond arrangements of a local, partial nature, which should be replaced by a broader idea of organization for collective security among all nations of the world.

Chinese newspapers in Chungking vigorously attacked President Roosevelt's statement, taking the view that it evidenced a weakening of the hand of the United States in Asia. The *Shih Shih Hsin Pao*, noting that Secretary Hull's explanation of the President's statement (in which he said it was not to be construed as enunciating new policies or modifying existing ones) did not deny the original reference to French Indo-China, declared: "The world is an entity of which Asia is merely a part. If the Asiatic problems are not settled satisfactorily, the whole world, including America, cannot expect security. What is more ridiculous, Mr. Hull said America did not intend to interfere in Asiatic problems except the Netherlands East Indies, because the Indies is a source of the rubber and tin America needs badly. Is it possible that Sino-American relations are measured merely by tin and rubber?"

N.Y. Detectives Die In World Fair Blast

Three detectives of New York's police force were killed and several others wounded while removing a time bomb which had been planted in the British Pavilion at the New York World's Fair. The explosion occurred July 4, while the Fair was jammed with visitors celebrating America's Independence Day. Police had received a warning by telephone that a bomb had been planted. The infernal machine exploded while being removed from its hiding place. Irish Republicans or German Nazis were believed responsible for the outrage.

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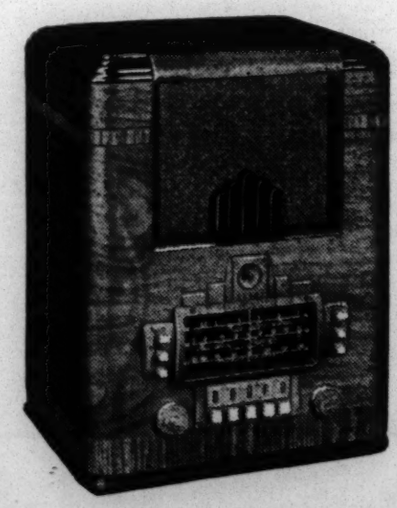

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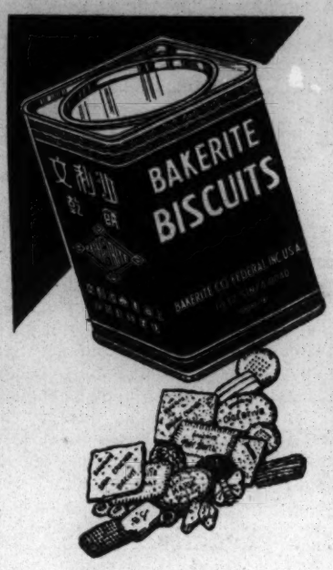

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Yonai Quits as Japan's Single Party Movement Gathers Momentum

THE prospect of a totalitarian governmental system for Japan became a definite possibility this week as the formation of a single political party moved nearer realization following the resignation of the Yonai cabinet. So far the question of replacing the popularly elected Diet with a corporative assembly along totalitarian lines, has not arisen, but once the single party is in power such a change would be merely a question of deciding upon the form of a new political structure.

Japan has for long contained several ready-made elements of fascism which have taken years to fashion in other lands. One of great value is the semi-deification of the emperor who personifies the state. This is important in a system where the state is all, the individual of contributary value only. Another condition the advocates of fascism will find prepared for application to their ends, is the present mobilization of the nation's population and wealth for prosecution of the war in China.

Demagogue Lacking

There is, however, one very important feature of European fascism so far lacking in Japan. No demagogic leader has yet emerged who like Mussolini or Hitler can infuse into all elements of the population such zeal that selfish interests are submerged for the good of the community.

Prince Ayamaro Konoye, probable head of the forthcoming single party, has none of those personal qualifications that make the successful mass leader. He is not a "man of the people" like Mussolini or Hitler and has never known first-hand the bitter social problems which arise from modern civilization. A quiet individual, he lacks the eloquence of speech that appeals to the mob. Lastly, having been a moderate all his life, he is wanting in the conviction essential to leadership of a mass movement.

Parties Dissolve

To make way for the new party other groups have already disbanded themselves either voluntarily or as a result of pressure from the military. The small Reformist Party with two members in the Diet, took the lead on July 2. The Social Mass Party, third largest in the Diet with 24 members, decided on its own dissolution at a meeting on July 6. The Kokumin Domei, another small group, decided on disbandment on July 13. Led by the outspokenly pro-fascist Fusanosuke Kuhara, the "Orthodox" faction of the great Seiyukai Party decided on July 12 to disband and the larger Nakajima faction of the same party has indicated it will follow suit. Adherence of the country's largest parliamentary party, the Minseito, to the new movement is considered certain by Tokyo political observers after the parliamentary leaders passed a resolution at a meeting on July 10, in favor of joining. On July 16 the party indicated further interest in the single party idea by announcing a seven-point program for placing the nation on a totalitarian basis.

Since a primary task of the single party will be to steel the national will for ever greater war efforts as the "golden opportunities" of land-grabbing in the Pacific present themselves, it was to be expected that the army would be an active supporter. Recent Tokyo reports state that military representatives will sit in at the projected meeting of the preparatory committee which will be convened soon by Prince Konoye to initiate organization of the party.

The possibility that the formation of the single national party will mean more than establishment of a national parliamentary alignment in the old "United Front" sense, was foreshadowed by the dissolution of the Federation of Japan Trade Unions on July 8. The dissolution took place under pressure. The Federation had been watched closely by government and police since the Labor Party which it backed was ordered disbanded by the government on May 7.

The cabinet of Admiral Mitsumasa Yonai, formed January 16 with an early termination of the China War as its primary objective, resigned with unexpected suddenness on July 16.

Prince Konoye was ordered by the Emperor to form a cabinet the night of July 17. It was an impatient flare-up of the army leadership over the slow progress being made in formation of the single party and over time being wasted on the "status quo" foreign policy enunciated this spring by Foreign Minister Arita, that caused the Yonai cabinet's resignation.

On Tuesday morning War Minister General Hata conferred with the other members of the army's "big three," Field Marshal Kotohito Kanin and Lieut.-Gen. Otozo Yamada. This trio decided that Japan must start at once on the road towards establishment of a new political structure in order to carry out rearmament effectively, to tighten control on economy and to "renovate" her foreign policy with construction of the new order in East Asia.

Despite the fact that there is a long way to travel yet before the single party can function smoothly as a national organ, Gen. Hata called on Premier Yonai Tuesday afternoon, told him the army thought his methods slow and that he, Gen. Hata, would have to resign from the cabinet. Upon the Premier's request that Gen. Hata suggest a successor, the latter refused and shortly after the Premier tendered his resignation to the Emperor.

The army was not slow in showing publicly who is master in Japan. Shortly after Premier Yonai's resignation became known, a conference of army bureau and section chiefs was held when it was decided to accept no candidate for the Premiership but Prince Konoye and to entertain no makeshift cabinet.

Popular Dissatisfaction

The widespread popular dissatisfaction with the Yonai government proved very timely for advocates of the single party idea. In the eyes of chauvinists, the government displayed an abysmal want of foresight in its lack of preparation for the world situation which has developed following the German successes in Europe. The army backs this view and asks an opportunistic foreign policy ready to seize the present "golden opportunity" offered by the embarrassment of the Allies. The stalemate in negotiations between Tokyo and the Wang Ching-wei government over the extent of the latter's power, has been another source of criticism, while the mounting cost of living and present scarcity of commodities in Japan is giving rise to considerable unrest throughout the nation.

The single party concept in Japan is less than nine years old. Kenzo Adachi, an experienced politician, came out late in 1931 with the first proposal to establish such an organ. His idea got its death-blow as a result of his own efforts in the downfall of the Wakatsuki cabinet and the subsequent banding of powerful political forces against him.

Earlier Attempts

The year 1936 saw several attempts to form a single national party. There was the proposal of Yosuke Matsuoka which had been before the nation since 1933, when Mr. Matsuoka, fresh from the atmosphere of Geneva League cooperation, advanced the idea of a new party to replace all others. The Matsuoka plan died when its originator was named head of the South Manchuria Railway. The Showakai was a group formed shortly before the 1936 elections with the chief purpose of supporting Premier Admiral Okada and incidentally to weld the nation into a single national front. In the summer of the same year a number of politicians with the support of certain elements in the army and navy attempted to start a national party movement and continued in their effort until the 1937 elections.

Since 1936 the single party idea has been an annual recurrent and during the past four years Prince Konoye has been the most often suggested leader. The question of launching a single party movement was mooted in 1938 and again in 1939 soon after the Konoye cabinet resigned.

One National Group

Throughout the years of its development the single party idea has come increasingly to mean establishment of one national group to supercede all others, and not merely another third party like the several which have never risen beyond very secondary importance in Japanese politics. The growing community of interest between Japan and the European totalitarians during recent months and the military successes of Germany, gave courage to the Japanese extremists this spring to revive the one-party theme with new vigor.

By then Mr. Kuhara of the "Orthodox" Seiyukai group, had already succeeded in obtaining support for the idea among his own followers as well as among many members of the Nakajima faction and other minority parties. In May he forced the cabinet and the nation to face the single party issue squarely, by placing his own extreme views and suggestions for a revision of Japanese foreign policy before Premier Yonai in the form of an ultimatum to which he demanded an answer within 24 hours. The Premier, of course, could not accept and Mr. Kuhara resigned his post on the Cabinet Advisory Council on the grounds that his advice had been refused.

Konoye Approached

Early in June, when Prince Konoye had already been approached to lead the new party and had evidently made up his mind to do so (he did not resign his position as President of the Privy Council until several weeks later), he pronounced his views on the subject in a statement, part of which is given below:

"What I want is a political structure which will be supported by old and new parties, irrespective of ideologies or positions, and which will fill the needs of the time completely.

"A new party which is ready to do the bidding of the military is not what I am after. A new party desired by me is one confident enough to tender advice to the military and able to reflect the feelings of the people in what is done by the military. The military should have the responsibility of managing military affairs. It is up to the politicians to manage political affairs. There is no thought of putting pressure on the Army or resisting it. The need of the moment is to arrange for the military and civilian population to cooperate from the depth of their hearts."

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Relief Worker Reveals Magnitude Of China's Great Refugee Problem

BY CHANG FU-LIANG

Editor's Note:—The author of this article is a Chinese relief worker active in Kiangsi Province. His revelation that the National Relief Administration disbursed only $37,000,000 for relief of war refugees during the two and a half years up to the end of 1939 would appear to indicate that the Chinese Government itself is remiss in its responsibilities and should have made larger sums available for relief. Taking the writer's own figure of 7,600,000 refugees helped by the National Relief Administration, each person received aid totalling much less than five dollars over a period of two and a half years. If the total spent is divided by the estimated total number of refugees, the sum spent per capita amounts to less than one dollar.

SINCE the outbreak of the Sino-Japanese hostilities in July, 1937 a migration of population, unprecedented in the number of persons involved, has taken place in China. Its numbers reach to the tens of millions, the migration moving from the north and east to central, northwest and southwest China, from the cities to the villages, and from war zones to more peaceful districts. The actual number of people who have migrated is unknown and perhaps unknowable. The figures released on April 4 by the National Relief Administration are as follows:

Number of refugees who have received relief from:

1.	National Relief Administration	7,600,000
2.	Local government organizations	5,700,000
3.	Private relief organizations	7,400,000
	Total	20,700,000

These refugees, however, represent only a fraction of the total number of refugees; for there have been many others who, either well-to-do themselves or taken care of by their better-off relatives and friends, did not ask for public relief; and still a host of others who did not get relief. Taking Kiangsi for instance, in July, 1938 there were about 2,500 refugees in the camps of Nanchang, but from November, 1937 to June, 1938, including all those who stayed at Nanchang a short time and passed farther on, the number reached a total of over 100,000. Even this number, registered at the refugee camps, is much lower than the total of those who in passing through Nanchang did not seek any public aid. An estimate of 50 million lives involved in this unprecedented population movement is no exaggeration. The effect is clearly seen in the booming towns and rising industries, the high cost of living and general prosperity in the interior.

Practice of Mutual Aid

The bulwark of Chinese society is the family, the conception of which is much broader than the commonly-understood one of two generations. It really means the "clan," including all those who have a common ancestor as far back as several generations. All these distant relatives belong to the family. When any member is in want, he has a traditional right to seek help from any other who is better off at the time. It is the moral duty of everyone to help any kinsman in need. Thus a great number of refugees have found temporary shelter and maintenance in the homes of relatives.

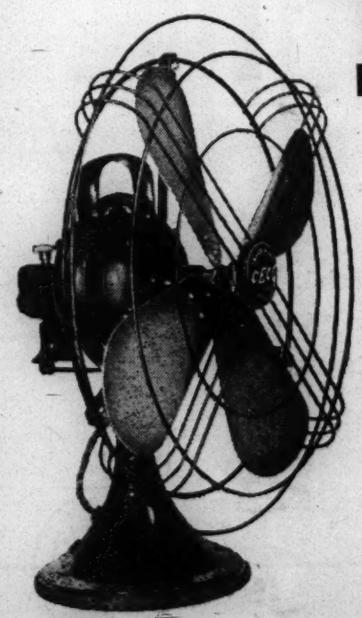
Confucius once said that one of the great joys of life was to be visited by a friend from a distance; he only expressed a Chinese truism of everyday social intercourse. The Chinese enjoy friends and friendships. It is quite common to have a friend as a guest of the family for several months at a time. Naturally in time of crisis friends seek shelter at the homes of friends. Having attended the same school or having once worked in the same shop or organization furnishes a greater claim than mere friendship. The homes of some of my own acquaintances are often filled with relatives, friends, old school-mates and former colleagues.

In each large city or provincial capital there are guilds of fellow-provincials and also craft or trade guilds. The former consist of natives of one province or district doing business in another, with the prosperous members contributing money for food, shelter, or repatriation of those in need. The latter serve a similar purpose, but only for those in the same craft or trade. In addition to the above, there are many charitable organizations, notably the Red Swastika Society and the Red Cross Society, which play no small part in local relief. However, the main relief work is in the hands of the government.

The National Relief Administration was set up in April, 1938 chiefly to handle this refugee problem. It administers relief in seven areas and has established eighteen distribution stations. Working in close collaboration with the National Relief Administration are 23 provincial relief commissions and 534 county relief agencies. By the end of 1939 more than $37,000,000 had been distributed by the national organization.

System of Granaries

For a period of several years the government has instituted a series of public granaries throughout the country. After harvest each family is expected to contribute a certain amount of grain in proportion to its holding. These are the granaries which have provided grain for refugees. Each adult refugee receives about 1.2 pounds of rice in addition to three cents for fuel, vegetables, oil and salt a day; a child refugee



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(under 10 years) half the rice and two cents for other things. Beginning with this year daily food allowance besides rice for adult and child is five and three cents, respectively.

Beside the large number of refugees who fled from the Japanese invasion there are many other refugees who have lost homes and dear ones, many of whom have been wounded or sick as a result of ruthless bombings by enemy aircraft and the machine-gunning of civilian population. Take this province as an instance. During the period of eight months from May to December, 1939 there were 94 bombings of 36 undefended Kiangsi county cities with a casuality list of 979 civilians killed and 1,561 wounded. To each air-raid victim the government has given a small compensation varying from $10 to $50 to help meet burial expenses, medical needs and the rebuilding of homes.

Those who have suffered more than any others the devastating effects of war are the children. There are 214 homes under both governmental and private auspices throughout the land, caring for 160,000 war orphans. These are fortunate children, even though the parents of most of them were killed and their homes destroyed by the enemy, for Chinese women under the leadership of Madame Chiang Kia-shek have made care of them their special charge.

Land of Disasters

China is sometimes called the land of disasters. During an ordinary flood along the Yangtsze, the surplus waters are carried off by the lakes, tributaries, and swamps, and there results no serious damage to the fields. The same is true with the social structure of the country. In a calamity of ordinary dimensions the social system in China is able to absorb the resulting shock with little strain. But in an unprecedented disaster such as is facing us now, as a result of the Japanese invasion and China's stiff resistence in defense of her existence and independence, causing millions of refugees and untold sufferings, China's social organization for relief is inadequate. Thanks to the hosts of friends of China the world over, their expressions of sympathy in the form of relief have alleviated much suffering of the Chinese population. Beside this aid, which has been most generous from all parts of the world, the Chinese are valiantly helping themselves in manifold ways through their government, social organizations and family system. But world-wide sympathy and relief, is just that extra something which brings succor to the bruised in body and spirit. It enables the disillusioned to continue to believe in right over might and in the triumph of international cooperation and friendship over world banditry and hatred. It is the spirit of the giver behind the gift that touches our hearts and gives comfort to our souls.

U.S. Rows with Japan Over Arrest of Employee

Anti-American demonstrations in Taihoku, Formosa last week focussed attention on a quarrel between the Department of State in Washington and Tokyo that has been going on since the arrest and imprisonment several weeks ago of Mr. Chuhei Matsuo, chief clerk of the American Consulate in Taihoku. Mr. Matsuo, who had been in American consular employ for the past 22 years, was arrested for allegedly attempting to violate the Japanese military secrets law because he sought information regarding the number of automobiles registered in the island.

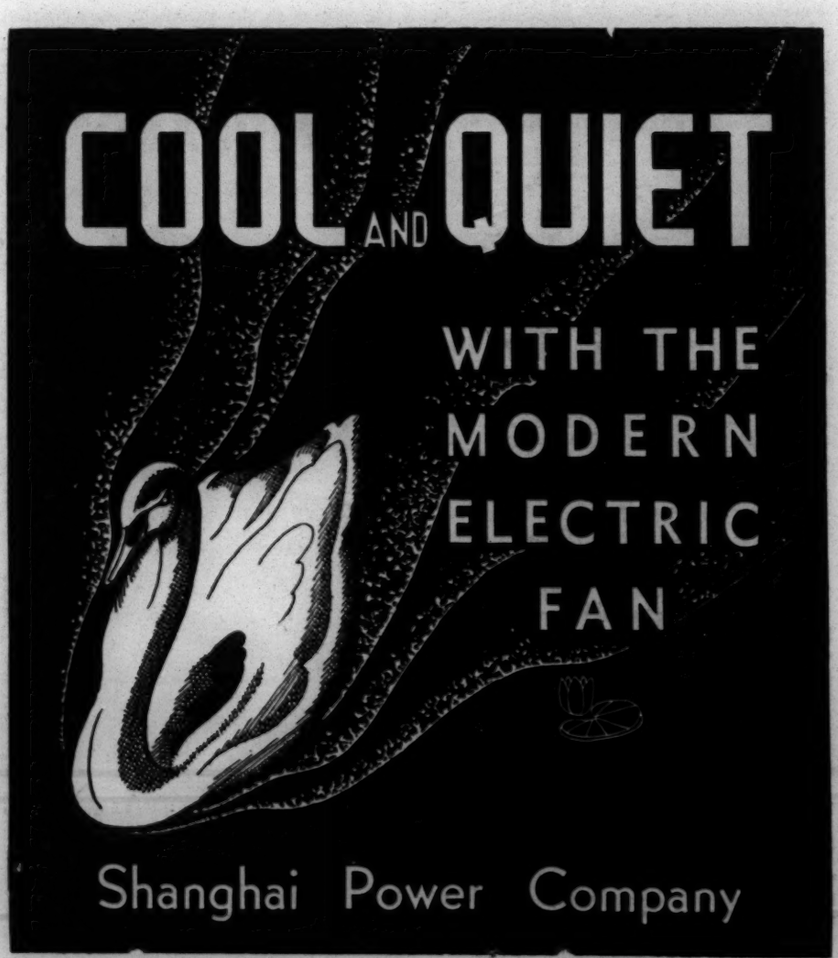
The State Department, according to a *United Press* report, has lodged repeated protests over the conviction of its employee, without having received any reconsideration of the case. In retaliation, Japanese ships clearing Formosan ports for the United States have not been given bills of health and consular invoice certificates, with the result that fines must be paid upon their arrival in American ports. This condition is said to be responsible for the anti-American demonstrations. Matters have reached a point where withdrawal of the American consulate from Taihoku is reportedly being considered by Washington, on the grounds that the routine work of United States agencies throughout Japanese territory is endangered by the threat under which native employees will live in the future.

Japanese Opinion Polled On World Situation

A unique straw poll was carried out in Japan recently when the League of University Professors seeking the opinion of their students went direct to 45,666 parents and guardians with a five-question questionnaire and in this roundabout way came at the opinions they sought, *Domei* reported on July 7.

According to the parents an overwhelming majority of students favored war with the U.S. if the latter should try to obstruct Japan's commerce with the Netherlands East Indies. Another overwhelming majority wanted Germany rather than Great Britain to win the European war.

A third question as to whether Japan should conclude a non-aggression pact with Russia, to remain free for establishment of the "new order in East Asia," elicited a comfortable affirmative majority. The parents seemed strongly in favor of a firmer political structure and abolition of the old parliamentary parties in reply to one question. In answer to the last, few wanted to see Japan involved in the European conflict in order to settle the China conflict.



Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

June 10

Communique issued by the Japanese military authorities in Nanking requested the immediate withdrawal of third-power shipping from the vicinity of Ichang, important Yangtsze port in central Hupeh, gateway to the Yangtsze gorges, which is the objective of the present Japanese drive in Central China. The communique said that the presence of a large number of third-power vessels near Ichang hampered the operations of Japanese warplanes.

Tang Leang-li, head of Nanking's International Publicity Bureau, declared (June 8) that the Wang Ching-wei Government will demand the immediate return of foreign concessions and settlements in China and the abolition of extraterritoriality through peaceful, diplomatic negotiations.

Twenty-seven Japanese planes heavily bombed Chungking, concentrating their attack on the area in which all foreign embassies but the American are located. German, Soviet and French embassies all damaged during the bombing. Many other buildings destroyed.

The Japanese Naval spokesman in Hankow stated that in order to establish peace soon it was necessary to achieve victory, and for this purpose the full power of the air force would be so directed as to break the fighting spirit of the enemy.

Senators Claude Pepper, Democrat of Florida, and William H. King, Democrat of Utah, said today that Japan should first restore China's integrity before the United States signs a new trade treaty with Japan.

Italy declared war on the Allies.

⁂

June 11

Ichang, important Yangtsze port in Central Hupeh, claimed occupied by the Japanese.

The Soviet Embassy, the German Transocean News Agency and the American United Press premises wrecked during the Japanese airbombing of Chungking. Fifty-four bombers participated in the attack, dropping numerous incendiary bombs. Chungking was under air raid alarm for four hours. Japanese residents in Shanghai, on June 1, totaled 72,336, the Japanese press reported yesterday morning on the basis of statistics compiled by the Japanese Consular Police.

⁂

June 12

Old walled city of Chungking practically reduced to a mass of ruins after almost 100 Japanese bombers rained some 150 heavy caliber explosive and incendiary bombs. Numerous casualties were caused and four huge fires started. Today's raid described as the most disastrous in the way of damage since the terrible attacks in May, 1939.

Five Japanese bombers were shot down out of a total of 129 machines which raided Chungking on June 10, according to official sources in Chungking.

Wang I-tang, new head of the puppet North China regime succeeding Wang Keh-min, announced the personnel of his administration. No important changes made.

Japanese Foreign Office announced that a new treaty of amity had been signed between Japan and Thailand (Siam).

Japanese troops occupied the suburbs of Ichang yesterday evening after bombing operations all day, according to foreign reports reaching Hankow.

⁂

June 13

While admitting the possibility of Ichang falling into Japanese hands, the official Chinese army spokesman in Chungking said that up to this evening the city was still controlled by Chinese troops. Vanguards of Japanese troops had reached the eastern suburbs of Ichang where furious hand-to-hand fighting raged all day yesterday, the spokesman said.

Seven Japanese bombers were shot down by Chinese fighters in yesterday's raid in which 154 Japanese planes participated, it was officially claimed in Chungking. The raiders yesterday dropped more than 500 bombs, causing over 140 casulties and demolishing 300 houses.

⁂

June 14

The Japanese Foreign Office announced that the Japanese Army in China had officially requested third Powers to remove their nationals and properties in Chungking to the specified "safety zone" on the southern bank of the Yangtsze River; otherwise the Japanese forces "will not be responsible" for damages to third-Power interests.

Cordell Hull, U.S. Secretary of State, yesterday issued a statement "wholeheartedly condemning the ruthless Japanese bombings of civil populations in China."

Joseph C. Grew, American Ambassador at Tokyo, called on Foreign Minister Hachiro Arita and protested the recent Japanese bombings of Chungking in which American properties were damaged. Mr. Grew also conveyed to Mr. Arita Mr. Hull's statement condemning Japanese aerial bombings of Chungking.

Criticizing the United States for its "weak Far Eastern policy," Mr. Frederick Field, secretary of the American Council of the Institute of Pacific Relations, warned that Japan would take advantage of the European crisis and try to spread her power to southeastern Asia.

The German Army occupied Paris which was abandoned by French defenders last night.

⁂

June 15

Foreign Minister Wang Chung-hui declared in a press interview that "destructive Japanese air raids have only strengthened our determination to resist to the last. Despite the havoc wrought by this inhuman method of warfare," Dr. Wang said, "China is still determined to fight on against the invaders." Dr. Wang expressed appreciation of the Hull statement condemning Japanese bombings of Chungking.

Losses of $20,000 and US$1,000 were suffered by the American Seventh Day Adventists, and Methodist Mission, respectively, during the bombing of Chungking by Japanese planes on June 12, according to a **United Press** report.

The old walled city of Kunming, capital of Yunnan, bombed by Japanese planes.

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Catholic Losses in Chungking Bombings

BY WILLIAM CHANG 張雲鵬

DAMAGE IS ESTIMATED AT $5,000,000

Damage totalling $5,000,000 was suffered by Catholic Church properties in and near Chungking during recent Japanese airraids, according to a Reuter report from the Chinese capital on July 14. Catholic properties either demolished or damaged included St. Joseph's Church at Peiyang, a girls' school, a hospital, Cathedral of St. Paul Middle School, Carmel Monastery, Ming Teh Middle School, Teh Chih Primary School, Church of the Sacred Heart, the report stated.

The only Catholic property in Chungking that remained intact after the June 26 bombings is the Church of St. Joseph. All others have either been destroyed or badly shattered. Scores of years of foreign and Chinese missionary efforts in West China, with Chungking as the working center, have been laid in ruins by the terror from the sky. "Japan is waging war against religion," is the cry of the Chungking Catholic community.

"Although the total property losses have not yet been ascertained, it is safe to say that the damage to Catholic missions in Chungking during May and June must have amounted to several million dollars," declared Bishop Paul Yupin in an interview.

"The losses in Chungking," he added, "only represent a portion of the total damage sustained by the Catholic missions in China in the war. All of these places were cold-bloodedly bombed, though nothing was set afire by incendiary bombs. The whole Chinese Catholic community has been deeply shocked time and again by the ruthless bombardment of the Japanese. None of these bombings could be justified, as all the ruined buildings, being entirely religious in nature, were located in the non-military downtown business and residential district."

Damage to the 50-year-old Catholic Cathedral, destroyed beyond repair, was estimated by Bishop Yupin at $300,000; while that to the College of St. Paul for boys was more than $400,000. The school, established more than twenty years ago, had trained many Chinese youths. Fortunately, it was moved to the country last year. The campus and the buildings had been used as a refugee camp until they were bombed.

The Catholic library and the mission printing house were not spared. The Catholic orphanage was wrecked. The office of the management and printing of the Catholic *Yi Shih Pao* (Social Welfare) daily, formerly printed in Tientsin, was bombed; while the residence of Bishop Yupin was damaged.

On June 24, when the Chungking consular area was heavily bombed, the Catholic Hospital which has been doing invaluable service in the care and treatment of airraid victims this year and last was badly shaken, while the residence of Father C. Cacauld as well as some of the living quarters of the hopsital's staff were destroyed. These damages were estimated at $25,000. In addition, the Japanese dropped four demolition bombs squarely on the hospital for wounded on a downtown street. The hospital was formerly the premises of a Catholic school for girls. The losses here amounted to more than $50,000. On the same day, another Catholic Church near the waterfront of Chungking was damaged, while the residence of Father Chang Sin-jan was razed to the ground.

Chungking, June 28, 1940.

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Who's Who in China

Tan Cheng-hor, mine-owner and merchant; native of Fukien; born in Penang, S.S. March 4, 1892; graduate of St. Xaxier's Institute, Penang; representative of Penang and Bhuket,

陳清虎

Tan Cheng-hor (Chen Ching-hu)

W. Thailand; proprietor of the following enterprises in W. Thailand: Swee Hin Tin Mine, Swee Hin Gravel Pump Mine, Swee Hin Cocoanut and Rubber Plantations, Swee Hin Cinema Hall, Swee Hin Brick and Charcoal Kilns and Swee Hin Printing Works. Recently visited Chungking as a representative of Chinese residents in Thailand and contributed $30,000 and 19 gold pieces to the Government's war chest. Address: Swee Hin Chan, 181 and 256 Beach Street, Penang, or care of Kai Tak Tai Hong, 32 Wing Lok Street, E. Hongkong.

Japan to Reorganize Military Defense System

In a sweeping reorganization of its defense system, Japan will be divided into four military districts, each one under the command of a full General or a Lieutenant-General, according to a *Domei* report from Tokyo July 12.

Establishment of the new military districts was decided upon to meet the contingencies of modern war. These will receive particular attention, especially in the field of air-raid precautions. The four districts will be established in the following areas: Northern district in Hokkaido; Eastern district in Tokyo, Central District in Osaka and Western district in Fukuoka on Kyushu.

Men and Events

The Ministry of Communications of the Nanking regime will shortly open an office in Shanghai, according to the **Central Press** on July 13. Ho Shih-feng will have charge of the office.

*

The wife of the Maharajah of Indore arrived in Manila by Clipper plane from the United States on July 13. She was returning to Indore, a native state of India, from Europe, having travelled by way of the United States.

*

Vice-Admiral Geoffrey Layton, C.B., D.S.O., Commander-in-Chief of the China Station of the British Navy, has been made a Knight Commander of the Order of the Bath.

*

Major K. M. Bourne, Commissioner of Police of the International Settlement, departed last week for Weihaiwei, Shantung, on vacation. He will be absent for six weeks and his place will be taken by Capt. H. M. Symth, Acting Commissioner.

*

The Spanish Economic Mission, headed by Lt. Gen. Alberto Castro Girona, which has been visiting in Japan for several weeks, arrived in Hsinking, Manchukuo on July 13. The members of the Mission, after a visit in Peiping and Tientsin, will proceed to Shanghai.

*

Chu Chi and Li Sui were appointed secretaries in the Ministry of Finance of the Chinese National Government on July 11. The Government also appointed Hsiao Sung-chin a member of the Overseas Affairs Commission, according to **Kuomin** report from Chungking.

*

Baron Mario Indelli, recently appointed Italian Ambassador to Japan, arrived in Tokyo on July 10. He was accompanied by Baroness Indelli and a party of seven persons. The new ambassador was welcomed on arrival by representatives of the Tokyo Foreign Office and a delegation of Italian Fascists who reside in the Japanese capital.

*

Shanghai's Society for the Prevention of Cruelty to Animals became active this week and caused the prosecution of two Chinese accused of the common crime of plucking bristles from the backs of pigs which were being transported to the slaughter house. The Chinese coolies were selling the bristles to manufacturers of paint brushes, according to the report.

*

The National Government, July 12, appointed Li Hsin-shu a secretary in the Ministry of Foreign Affairs. Kung Ching-tsun was appointed a director, and Chang Wei-pai, deputy director of the office in Tibet of the Mongolian and Tibetan Affairs Commission. Liao An-pang and Lin Hsu-chu were appointed members of the Shantung provincial government committee. Chang Pai-chin was appointed a member of the Hupeh Government Committee and concurrently Commissioner of Education for Hupeh province.

*

Yoshimasa Tanaka, managing director of the Manchurian Synthetic Fuel Industrial Company, announced at Dairen on July 1 that a new artificial petroleum plant will be erected at Chinchow in southern Manchukuo. Mr. Tanaka stated that the trial run of the Omura Experimental Station, a test-factory, had been "astonishingly good." This factory uses coal from the Miike mines, but since the Government has prohibited use of Miike coal, it had been decided to construct a plant at Chinchow, which would be able to turn out 100,000 tons of petroleum annually, according to Mr. Tanaka.

The Chinese People's Foreign Relations Association, at a meeting in Chungking on June 10, appointed the following chairmen of committees to function abroad: Lin Ching-nien, Singapore; Yu Hung-chun (O. K. Yui), Hongkong; Li Kuo-chin, New York; Lin Sui-yang, Honolulu. It also was decided to establish branches in Kweichow and Hunan.

*

Mrs. Esther O. Jeffs, wife of Commander Jeffs, Chief-of-Staff of the U. S. Yangtsze Patrol, was appointed secretary to Charles Richardson, Jr., newly-appointed U.S. Marshal and Acting District Attorney, according to announcement of the U.S. Court last week. Mrs. Jeffs is a native of Portland, Oregon, and previously was connected with the American Chamber of Commerce.

*

The men of the U. S. Marines Corps were ordered to discontinue wearing civilian clothes when off duty, according to instructions issued from headquarters this week. Civilian clothes were banned on August 13, 1937 at the time of the outbreak of Sino-Japanese hostilities, but were permitted in May, 1938. No reason was given for banning mufti but it was thought to be concerned with recent developments.

*

Women's hosiery manufactured from the new American silk substitute, "Nylon," were advertised in Shanghai for the first time by the British shop, Hall and Holtz, Ltd., this week. The advertisement listed two grades, one selling at Ch.$23.50 a pair and the other at $27.50 a pair. The announcement stated that the stockings were more elastic than silk, that they should be washed exactly the same as silk stockings and that tests indicated they would outwear the same grade of silk stockings "two to one or better."

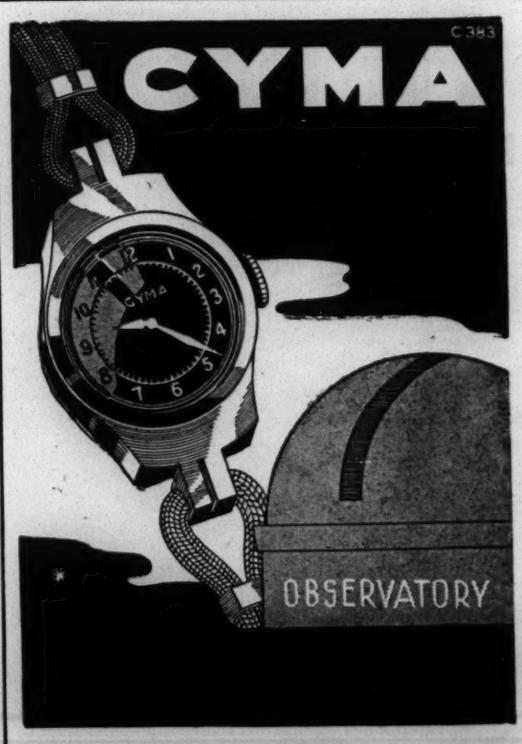
Four newspapers in Chungking, three published in Chinese, the **Central Daily News**, the **Sao Tang Pao**, organ of the Army, and the financial organ **Shih-Shih Hsin Pao**, and the English-language **Hankow Herald**, have literally and physically "gone underground" in order to escape Japanese airraids. According to **United Press** the papers have established plants in the suburbs of China's wartime capital. The papers have their own power plants for use in the event Japanese bombs disrupt the regular municipal service.

*

The Greek steamer Hellenic Skipper, loaded with lumber and bound for Hongkong from Seattle, blew up and apparently sank, according to a dispatch from Seattle on July 13. The U. S. Coast Guard reported that a fishing boat had picked up a life-boat containing 21 members of the Hellenic Skipper's crew. The lost steamer was formerly known as the Curacao of U. S. registry, but changed to Greek registry after the outbreak of the European War. The cargo of lumber was loaded at Gray's Harbor, Washington.

*

The Kiangsu Provincial Government, which continues to function in the northern areas of the province which are not occupied by the Japanese Army, announced the inauguration this fall of a new university. The president of the University will be Lieut.-Gen. Han Te-chin, chairman of the Kiangsu Provincial Government. The preparatory committee includes Pao Shu-ming, Chu Chien-pai, Chin Tsung-hua, Lu Ying-chuan, Lu Chi-chih, Hu Shih-ching and Yang Kuan. The Board of Directors will include Yeh Chu-tsang, secretary-general of the standing committee of the Kuomintang; Gen. Ku Chu-tung, Commander-in-Chief of government forces in the Third War Zone. The University will have three departments, law, arts and agriculture.



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Henry Pu Yi, alias the Emperor Kangte of Manchukuo, ended an 11-day visit to Japan when he left Osaka Sunday, July 7 aboard the Japanese warship

Returns Home

Hyuga for Dairen en route to Hsinking, where he arrived July 11. Pu Yi's visit was made in connection with celebrations of Japan's 2,600th anniversary.

*

The Soviet authorities announced the inauguration on July 14 of summer aviation along a 90,000-kilometer trans-Arctic route which will include Moscow, Archangel, Amderma, Igarka, Tixy Bay, Kolyma, Cape Schmidt and Anadyr. Twenty-passenger mail seaplanes are used and the route from Moscow to Chukotka is covered in 60 to 70 flying hours.

*

The enormous amount of Japanese military notes in circulation in Japanese-occupied areas of China was indicated in a report published in the **Shanghai Mainichi**, Japanese newspaper, on July 11. The report stated that the quantities of military notes in circulation since the first of the year were as follows: :

January	Yen 67,854,941.26
February	73,644,323.68
March	82,603,094.94
April	89,519,748.49
May	105,144,939.20
June	100,301,195.49

*

Manuel Quezon, President of the Philippine Commonwealth, announced a drastic legislative program which he plans to introduce in the Assembly shortly, according to **United Press** from Manila. The report stated the proposal would outlaw strikes, abandon the 8-hour day and institute compulsory labor service. Unemployed would be forced to work on public projects such as the Koronadal resettlement project in Mindanao Island. President Quezon was stated to have quoted Marshal Henri Petain, dictator of France, that France lost the war "because the country didn't work." President Quezon said the Filipinos would have to outwork nations which might attack them.

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Reich Trying to Sway Havana Meet

The conference of Pan-American foreign ministers to open at Havana on July 20 for discussion of economic and territorial problems resulting from the European war, has been considerably complicated by two new factors. The first is the presence in the French West Indian island of Martinique of the French airplane carrier Bearn with 100 American planes and 100 British pilots aboard. The island is being blockaded by British warships in open violation of the American safety zone established last fall to prevent European belligerents from carrying the war to the Western Hemisphere.

The second new factor is the open attempt by Germany to influence the American states from adopting a pro-British attitude in their efforts to remain neutral. An early indication that German diplomatic officials are interested in swaying politics in the Western Hemisphere was the publication in a New Orleans newspaper early in July of an interview with the local German Consul who warned that his country would not forget the American pro-Allied attitude in the present war. As a result of this, the State Department in Washington immediately issued a sharp warning to the German Embarry to keep its agents out of American politics.

On July 11 the German Minister in Nicaragua was reported by *United Press* to have warned the Central American country to follow a strict policy of neutrality at the Havana conference. Germany, the letter reportedly declared, had no intention of interfering in Latin American affairs. On July 13 the Honduras government issued official confirmation of receipt of a similar German note. In Washington, Administration officials were fearful lest Germany might launch an open challenge to the Monroe Doctrine and work for a Pan-American neutrality policy more favorable to the Reich. Indications pointed to the influx of a large number of German representatives at Havana. It was recalled that there were was an unusually large number present at the Pan-American gathering shortly after the war began last September.

22 Missing in Miyake Volcano Eruption

Twenty-two natives of Miyake island in the Japanese archipelago, have been missing since the violent eruption, July 12, of three peaked Mount Oyama which has lain dormant for the past 67 years.

Torrents of white hot lava swept from the volcano into the fertile valleys of the little island while the 1,000 inhabitants of five villages took refuge wherever they could. Only one village, Kamikizu on the northern end of the island, was destroyed. Food and medical help was rushed, immediately from Tokyo, aboard war and merchant vessels, while Japanese naval planes scouted the region and reported that a heavy pall of smoke and cloud hanging over the island prevented proper observation.

The skipper of a Japanese merchant vessel which had sought refuge from a brewing storm in a Miyake island harbor on Friday, told the press next day that the first terrifying symptoms of the eruption came with a strange loud report early in the evening. Almost immediately small pebbles began raining down over the sea and a few minutes later the booming sound repeated itself and tongues of fire at least 200 meters long appeared snaking skywards from the foot of the mountain. A sudden heavy sea prevented the good captain from putting inshore to aid the stricken population and shortly after he ordered the ship to resume its homeward voyage.

Hongkong Decrees Severe Measures to Keep Order

Wide powers against rioting and breach of the peace were decreed in Hongkong July 13 by the acting Governor, Mr. N. Smith, under the Peace Preservation Ordinances of 1886.

Under these laws the authhorities are empowered to enter private houses and arrest persons without any warrant. The decree gives colonial officials the right to call on bystanders to help in the preservation of peace and arrest of offenders. It bans assemblies tending to disturb the peace. Places suspected of concealing arms, may be entered without warning. On the same day the decree was published, plans were announced for increasing the Hongkong police force and reserve. Chinese recruits will be taken into the force, it was announced, and an appeal was made for Chinese volunteers to join the reserve.

All enemy aliens who remained in the colony after July 6 have been interned, it is reported by *Havas*. These are said to total 13 Austrian and German male refugees who were given every chance to leave the colony even to an extension of the time-limit.

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New Books of Interest in the Far East

Individualism in Extremis

THE CONFESSIONS OF AN INDIVIDUALIST—By William Henry Chamberlin; Macmillan Company, New York City, 320 pages, price U.S.$3.00.

"There is no description so hard, nor so profitable, as the description of a man's own life," said Montaigne; and Mr. Chamberlin's autobiography is one of the finest proofs of the aphorism although it does not measure up to either the full egoism of Rousseau and Casanova, or the impersonal—almost disembodied—intellectuality of Henry Adams. Mr. Chamberlin should either tell much more or considerably less about his emotional life.

He is not superficial, however, in sketching his intellectual development, although there is lacking the penetration and integration achieved by Adams. But that it is possible to compare Chamberlin to Adams is in itself an extraordinarily high tribute; further, it is probable that in the final edition by a more grayed Chamberlin—he is now only 43—his autobiography may unreservedly be set alongside **The Education of Henry Adams.**

Adams' world, of course, was a much simpler one than Mr. Chamberlin has viewed in many parts of Europe and Asia, especially the Soviet Union, Japan, China, Nazi Germany and falling France, as correspondent for **The Christian Science Monitor.** One can understand, too, the exigency of Mr. Chamberlin often pulling his punches, although it is somewhat ironic that he should let go a terrific blow at the "Oxford Group Movement" of the Reverend Frank Buchman while venturing no criticism at all of another "spiritual patent medicine" with which he must be even more familiar.

Mr. Chamberlin's record of the purely intellectual side of his childhood in Camden, New Jersey explains much of his reaction to the world since. He combined the healthy skepticism of Gibbon with hero-worship of the Promethean personalities of the House of Hohenstaufen, and Nietzsche's glorification of the rugged individualism of Tasso. In music he ranged from Wagner to Chopin. Later, especially in the Quaker college of Haverford, he covered most of the world's best literature and philosophy, including the Greek and Latin classics, but curious deficiencies are indicated. Although reared in the town whose only claim to fame (at least prior to Chamberlin!) was that it had been the residence of Walt Whitman, and also personally acquainted with Whitman's first biographer Horace Traubel, our hero appears to have totally missed both the social significance and sensual grandeur—as well as the highest order of individuality—of the greatest figure in American literature. And despite his predilection for the classics, he displays no appreciation of that noblest Greco-Roman of them all, Lucretius.

Nor is there any reference to Montaigne, save the adolescent one that he had "discovered" the "quaint, shrewd Gascon philosopher and essayist." Which is hardly adequate for a philosopher who was so wise as to realize that "wisdom hath her excesses, and no less need of moderation, than folly." Nor would Mr. Chamberlin set undue store on reason as a guide to life if he had learned with Montaigne that "there is no reason but hath another contrary to it."

But Mr. Chamberlin was not deficient in acquiring as civilized a concept of human values as Lucretius or Montaigne or Whitman. He planned suicide, with an appropriate farewell letter to the Nation, as the alternative to becoming cannon fodder in the First World War to end war. He was conscripted, although so near to the end of the war that it didn't matter. Then, in the American idiom, he became "sold" ardently on the Bolshevik experiment in Russia, wherefore he went to Moscow and spent the next decade in getting bitterly disillusioned. This disillusionment is as commendable as it is understandable, but it seems to have somewhat unbalanced Mr. Chamberlin as an observer and analyst, engendering an individualism rather more romantic than realistic, and warping his understanding of the other historical forces of our times.

For example, with regard to the Second World War, Mr. Chamberlin seriously suggests that a major mistake of the Versailles peacemakers was "in failing to smash the Soviet system in Russia, that declared enemy of individualistic civilization, while it was still weak," adding that "this could easily have been done if the anti-Bolshevik leaders had been helped as energetically and efficiently as Franco was helped in Spain." Which is most dubious, judging both by the facts presented in Mr. Chamberlin's own classical **History of the Russian Revolution** and the number of young intelligentsia of the time—including Mr. Chamberlin—who were willing to sacrifice their all for the Bolsheviks. Further, even if the Bolsheviks could have been crushed, Mr. Chamberlin's own history clearly indicates that the cure would have been as bad as the disease. Still further, such intervention as did take place—not for Chamberlin liberal individualism, but for predatory capitalistic individualism—was in large part responsible for the degeneration of Bolshevism into totalitarian barbarism.

In dealing with Japan, although very critically, Mr. Chamberlin also shows the unfortunate effects of his Russian experience. He fails to recognize that Nippon is a part of exactly the same historical current as Soviet Russia and Nazi Germany, and if emperor worship seems less sanguinary than dialectical or Aryan mysticism it is only because regimentation is further advanced—and hence there are no longer many, if any, individualists to slaughter. Mr. Chamberlin would have been sounder, too, in his Japanese background if he had read less of Lafcadio Hearn and more of Basil Hall Chamberlain. He even fails to realize that Japan's overpopulation —about which he is compassionate—is a deliberately fostered consequence of emperor worship.

The reviewer can only regard much of Mr. Chamberlin's analysis of the origin of the Second World War as muddled. He recognizes that the failure of Britain and France to move against Hitler when he repudiated the military clauses in the Treaty of Versailles in 1935 and reoccupied the Rhineland in 1936 was a mistake—yet: "had the responsibility been mine, I should not have started a war on either of these issues." Here, indeed, is Mr. Chamberlin's most revealing confession of the inadequacy of his brand of individualism!

Although not going as far as many of the English Tories did, in viewing Hitler as a heaven-sent St. George to slay the Bolshevik dragon, he does invoke the Roman and Byzantine policy of playing the barbarians against each other. Well, this certainly did not prove sufficiently successful in the Fifth Century to be tried in the Twentieth; when Rome did not, or could not, deal with the barbarians as she had with Carthage she was doomed. Barbarians, in fact, may be credited with a tropism to unite against the highest existing civilization before trying to destroy each other. This, to be sure, is a somewhat metaphysical hypothesis; but in mundane gangster diplomacy, geography made Russia and Germany "natural" allies regardless of political ideologies—as Bismark clearly saw—while history dictated that the first major move of any Western European empire-builder would be against the Franco-British set-up.

Mr. Chamberlin certainly has been justified in his foreboding of tragedy from the guaranty of Britain and France to Poland, but allowing Hitler to go ahead unopposed there would not have saved them unless they had utilized their brief grace to much better advantage than they did after Munich. "The history of the world is the judgment of the world"—as Mr. Chamberlin himself quoted from Hegel in his **History of the Russian Revolution.**

All this is not in negation of Mr. Chamberlin's code of human values set forth in his chapter entitled "Personal Credo." The reviewer shares with him to the fullest his belief "in the creative value of human liberty, without which life seems to me devoid of meaning and savor." The reviewer, too, believes fervently "in the absolute right of the individual human personality to full and free expression, subject always to the reservation that the rights of others are not infringed." Here, however, we encounter difficulties in practical application. In a world of Chamberlins, animated by Lincoln's ideal of refusing to be either master or slave, there would be no problem more serious than directing traffic; but in the world as it is, individualism is much more used for predatory exploitation than the composition of Beethoven's Fifth Symphony or such a fascinating book as William Henry Chamberlin's **The Confessions of an Individualist.** And it was laissez-faire, so valiantly defended by Chamberlin, that in large part led to the present catastrophe of civilization.

The problem is much more complex than put by Mr. Chamberlin, nor can it be solved by such an unscientific statement as the one he makes that "the individual man's instinct is to create, while collective man's instinct is to destroy." Collective man, after all, manifests only what is in the average individual man—and this usually includes, as Freud has so clearly pointed out, more cruelty and destructiveness than rationality. Nevertheless, collective man has created both the Cathedral of Chartres and the Panama Canal.

Political democracy seems basic to the reviewer in curbing the worst in men and in bringing out the best, both collectively and in fostering the highest order of individual personality, but if it is to survive under present conditions it must crack down on too rampant individualism—not Chamberlin's kind, but the more common kind manifested by America's "sixty families" and France's "two hundred." The reviewer can profess no prescience as to whether it is possible to do this and preserve the human values that he joins unreservedly with Mr. Chamberlin in upholding. As Pliny observed: "This only is sure, that there is nothing sure; and nothing more miserable, and yet more arrogant than man."

Aside from its exceedingly stimulating intellectual qualities, Mr. Chamberlin's antobiography offers much to local readers in sprightly comment and chit-chat. Many eminent Shanghai subjects are neatly rubbed the right way. J. B. Powell will find reason to stroke his yet ungrayed locks with pride. The shy Lee Choy—with "that peculiarly Chinese intellectual gift of taking the long view, of seeing contemporary events in the perspective of decades or even of centuries"—can glow unseen in the dark unfathomed caves of his alpine accumulation of newspapers dating back to the Peace of Tilsit. Sapajou will blush—if he can. Even

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In the United States Court for China

NONNA FINDLEY, *Plaintiff*, vs. VIRGEL JESSE FINDLEY, *Defendant*.	Cause No. 4503. Civil No. 2382. ORDER Filed at Shanghai, China, July 16th., 1940. WILLIAM T. COLLINS Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by her attorneys, has this 15th day of July, 1940, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 15th day of July, 1940, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 15th day of July, 1940, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China, nor has he resided therein since, and that defendant's last known address was c/o Mrs. Zella Stanley, 1337 California Street, Apartment 5, San Francisco, California, U.S.A.

NOW, THEREFORE, it is this 16th day of July, 1940, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review", a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 3rd day of August, 1940, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court:

Dated at Shanghai, China,
this 16th day of July, 1940.

MILTON J. HELMICK,
Judge.

the reviewer is credited with a scintillant wisecrack that he had forgetten he ever made.

W. B.

The China Exporter

The April-June issue of **The China Exporter**, published last week-end, features a comprehensive analysis of China's export trade by countries, showing the value of articles exported to 75 foreign countries during 1939. The list is a condensation of a 300-page volume of Customs returns, arranged alphabetically and so grouped that exports to each country listed can be seen at a glance. Among other interesting items in the trade quarterly are an article on Chinese wood carving by H. Crozier Faulder and another which deals with the industrialization of China's southwest.

The Shanghai Directory

Long familiar to the local public and among business communities in other parts of China and the Far East, the 1940 edition of **The Shanghai Directory** came off the press last week and is now on sale at bookstores and the office of the publishers, North-China Daily News and Herald, Ltd., 17 The Bund. The price per copy, including a large-size map of Shanghai, is $18 Chinese currency, and $15 without the map. Published as a City Supplementary Edition to **The China Hong List**, the volume is a comprehensive business and residential directory of the city. The only noticeable difference between the latest edition and its predecessors is that the former evidences the effect of the war on the local paper market, being printed on paper somewhat inferior to that previously used. Its value as a business reference is nevertheless well up to the standard hitherto maintained.

Shanghai French Mark 'Quatorze Juillet' Quietly

Observance of France's day of independence, July 14, was carried out in subdued fashion by the Shanghai French community this year. The fete which in the past has included parades and receptions, followed closely on the recent armistice imposed on France by Germany. French diplomatic, military and naval officials attended an early morning flag-raising ceremony in the Consulate grounds, during which the *Marseillaise* was hastily run through by a military band. Later in the morning Ambassador Henri Cosme received members of the French community at a reception in the Consulate.

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In the United States Court for China

In the Matter of the Estate of FREDERICK ROGERS GRAVES, Deceased.	Cause No. 4492 Estate No. 2371 Filed at Shanghai, China, this 21 day of June, 1940. WILLIAM T. COLLINS Clerk.

NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Frederick Rogers Graves, deceased, to present the same with vouchers to the undersigned on or before the 30th day of December, 1940, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

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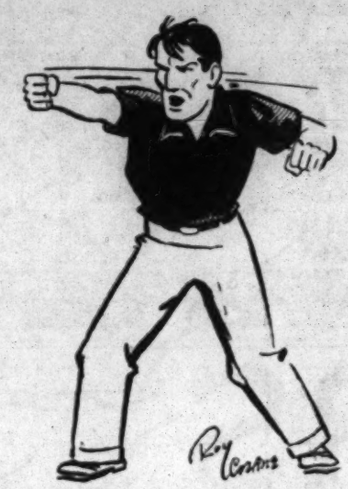

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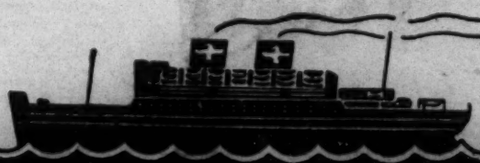

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